

SFUSD

San Francisco Unified School District 135 Van Ness Avenue San Francisco California 94102-5299

July 6, 1992

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To: Board of Education

AUG - 4 1992

From: Waldemar Rojas *WR*

UNIVERSITY OF CALIFORNIA

There are wonderful successes in the public schools of San Francisco and much credit should go to Superintendent Ramon C. Cortines for maintaining and continuing to develop quality instructional programs while undergoing numerous years of fiscal reductions. The challenge that has been placed before us, in view of the continuing fiscal constraint, is enormous but it is also an exciting opportunity.

The preliminary review and ensuing discussions will serve to initiate a draft of a San Francisco Unified School District Strategic Plan. This preliminary draft shares some perspectives and ideas for discussion.

There is much to do in this tremendous challenge. The necessity to prioritize and establish a strategic plan is important for continued success. Quality teaching and program development activities must be launched that get to the heart of education, which on a very small scale is the interchange between teacher and student.

For your review, I have attached the following additional items:

- a. Consent Decree - Desegregation and Educational Change in San Francisco
- b. Transition Report - Dr. Joseph P. Viteritti, New York University
- c. Vocational Education in San Francisco Schools - Dr. Robert Bailey, Columbia University
- d. Financial Difficulties in the San Francisco Schools - Dr. Robert Bailey
- e. Organization of Legal Services - David Tatel, Esq.

The areas of Buildings and Grounds and Interagency Collaborations are being scheduled for review. I will provide you information as soon as it is available.

I look forward to our meetings of July 7 and 8.

INTRODUCTION

San Francisco is on the cutting edge of urban education. It is a phenomenal city that possesses the ingredients for a successful public school system. Its 63,000 public school students is its single greatest asset --- the students are diverse, enthusiastic, and possess a great will to learn. San Francisco is rich in its ethnic, cultural, and linguistic diversity, with a citizenry that is concerned about education. The city's government, even in times of dire fiscal crisis, has supported school programs. San Francisco also boasts a supportive business sector, quality arts institutions, and strong linkages to higher education. A viable city, measuring only 49 square miles, it is manageable. If a city like this cannot produce a high-quality educational system in a major urban setting, then no other city can.

This document's primary purpose is to get consensus around priorities leading to the development of a strategic plan; plans developed in a central office rarely meet with success. Large-scale change will take place by nurturing, supporting, and reinforcing the students, school staff, parents, and other concerned parties.

The educational process reaches into every aspect of the enterprise and seeks the active involvement of every person with an interest in public education: teachers, students, support staff, administrators, parents, community members, and business leaders. There are fiscal difficulties, but we must recognize the fact that we are responsible for providing quality educational services for all our youth. We cannot "hide" behind the excuse that we do not have enough money to accomplish our objectives; the students cannot afford anything short of our maximum efforts.

Our primary goal must be to focus our resources and attention on how we teach and how children learn. We have a diverse student population; our instructional teaching approaches must also be diverse. The single most important activity at the San Francisco Unified School District is within our schools; education is the activity which occurs in the exchange process between teachers and students --- everything else is supportive. The SFUSD strategic planning process must be student driven based on student needs. We must focus on the students' needs and engage a curriculum which is implemented to adapt to the varying learning styles and rates

The purpose of this report is to provide a comprehensive overview of the current state of research in the field of artificial intelligence (AI). This report will discuss the various sub-fields of AI, including machine learning, natural language processing, and computer vision, and will explore the challenges and opportunities associated with each. The report will also discuss the ethical implications of AI and the need for responsible development and deployment of AI systems.

The report is organized into several sections. The first section provides an overview of the field of AI and discusses the various sub-fields. The second section discusses the challenges and opportunities associated with each sub-field. The third section discusses the ethical implications of AI and the need for responsible development and deployment of AI systems.

The report is intended for a general audience and is not intended to be a technical treatise. The report is intended to provide a high-level overview of the field of AI and to discuss the challenges and opportunities associated with each sub-field. The report is intended to be a starting point for further research and discussion.

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of our students. The development of an assessment system which clearly defines expectations and outcomes for each grade level is an essential component of effective education.

A comprehensive professional development program, fundamentally based on providing teachers and other providers with the skills and strategies critical to maximizing their progress in the classroom, must be enhanced and supported. Quality professional development is a school-based activity. Effective change is not imposed from the top; successful school reform happens building by building. Staff at the school site must be given the opportunity to digest various ideas, express their needs, and facilitate processes within their own classrooms. Principals, teachers, and parents must be at the core of the District's reform efforts, because it is they who are most aware of the specific needs of their students. The leadership in the school must be responsible and accountable for quality education --- there are no good schools with bad principals. SFUSD has the potential to capitalize on the quality staff it possesses to provide dynamic, effective education.

STUDENTS

As previously stated, the needs of our student must drive the strategic planning process. Our efforts must be focused on ensuring that all students are afforded an equal opportunity for success. We cannot allow a system where African-American, Latino, and other economically disadvantaged youngsters consistently perform at lower levels than other students. Every school is capable of being a Lowell, a Horace Mann, or a Lilienthal. Our task is to provide schools the instructional support required to guarantee that each and every student achieves his/her highest potential.

Foremost to achieving equal opportunities for all students is to establish standards of excellence and high expectations for all San Francisco schools. These standards must clearly state what information students are required to know at each level of education, and how well a student must know it. Such content standards and performance expectations are at the heart of all successful schools --- even those where the students come from economically disadvantaged backgrounds.

PROFESSIONAL DEVELOPMENT AND SCHOOL OPERATIONS

The teachers, parents, and administrators at successful schools refuse to accept failure from their students. Students at these schools work diligently and achieve because learning expectations are clearly delineated and they are instilled with the belief that they can achieve the high standards that have been set for them.

Good teaching and student learning go hand in hand. The District must begin a teacher selection process focused on identifying the best qualified teachers for employment in the SFUSD. A concerted effort must be made to place talented teachers in schools which have the highest number of low-achieving students. Teacher and staff development must be supported through a comprehensive, professional development program, which is primarily menu driven and focused on what teachers and staff identify as the programs and skills needed to improve their teaching. Such a program should be centered on improving teacher-student interaction and provide opportunities for "behind the glass" teacher reflection and observation.

A critical element to supporting the teaching and learning process is an assessment process that is directly linked to what children are learning and that affords an opportunity to evaluate student development on a variety of measures. Standardized tests are but one measure of student achievement. Currently, a number of elementary and middle schools are implementing an expanded assessment process that evaluates students through portfolios of their work in the various subject areas. Parents and teachers in the schools using the portfolio assessment process extol the value of this particular process. Utilizing such a tool effectively requires skill on the part of teachers --- again speaking to the need for a quality, comprehensive staff development program.

Assessment is not a process of solely measuring students against one another for ranking purposes. It is a process that measures through quantifiable objective criteria how each adult is performing in his/her tasks. Goals and objectives with quantifiable criteria and timelines are the process for measuring the Superintendent and other administrators in the schools and central offices.

The starting point, and also the main reason for the study, is the fact that the world is not a homogeneous entity. It is a complex of many different cultures, languages, and religions. This is the first of the main findings of the study. The second finding is that the world is not a static entity. It is constantly changing and evolving. This is the second of the main findings of the study.

Good things and bad things are found in every part of the world. The third finding of the study is that the world is not a homogeneous entity. It is a complex of many different cultures, languages, and religions. This is the first of the main findings of the study. The second finding is that the world is not a static entity. It is constantly changing and evolving. This is the second of the main findings of the study.

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PROFESSIONAL DEVELOPMENT AND SCHOOL OPERATIONS (School Based Services)

Effective schools research literature is replete with instances of the following variables existing at successful schools:

1. The focus is on **instruction**,
2. **High expectations** are established for all students and adults,
3. There is a regular, measurable **assessment** process in place,
4. There is identifiable strong leadership, and
5. There is a **safe climate**, primarily an educational environment, in which all involved feel comfortable,

Identifying the variables is certainly easier than implementing them. The implementation of a professional development program focused on student-driven needs must be field based, if it is to arrive at the above variables. A field-based approach to the development meets three major criteria:

1. It is consistent with current research and literature in the field of teacher development, (creating a "professional culture" of teachers),
2. Longitudinally, across a two to five year span, it is cost effective, and

3. This approach allows for the developmental implementation of such a program that is development, (i.e. field testing, formative and summative evaluation, refinement, and implementation).

Encouraging the participation of all school-based personnel is a prerequisite and has many advantages. Those who are involved in development, curricular, or instructional strategy will be drawn from those who use it, thus the producers and the consumers are the same. Additional advantages include:

- Teachers work together as colleagues; they pool knowledge and resources; they work on collective enterprises.
- There is a time and a place for discourse about instructional issues.
- Peers provide feedback and rewards to each other.
- Teaching has a firm knowledge base. Professional knowledge develops from understandings about the craft of teaching, based on experience and practice.
- Teachers are creators as well as users of curriculum products and instructional materials.
- Teachers are researchers and evaluators; they add to the knowledge base of the profession.
- Teachers provide for their own professional development and in-service activities; they continually update their knowledge and skills.
- Teachers depend on each other for professional information; they recognize that expertise exists within the teaching ranks.

- Teachers are theoreticians as well as practitioners; they create new knowledge as well as use it.
- Instructional leadership is the purview of teacher; they provide role models, mentorship, and support for each other.
- Teachers are decision makers about professional practices and instructional content and process.
- Teachers are problem solvers and activists; they take initiative to improve the conditions of their work life (Miller, 1988).

With the support of the central office staff, this field-based approach will encourage the identification of exemplary programs already existing within the SFUSD. It will engender the planning and implementation of new, creative, and innovative programs. This process is vital, evolving, and dynamic; therefore, the implementation of this approach is developmental. The outcome of this process is a range of curriculum materials that is consistent with citywide standards created by the individuals who have come forward in curriculum areas to be active participants in this process. Thus, the process provides an ordered mechanism to recognize innovation in the field.

Miller, L. (1988). Unlikely beginnings: The district office as a starting point for developing a professional culture for teaching. In Lieberman, A. (Ed.), Building a Professional Culture in Schools (pp. 167-184). New York: Teachers College Press.

The developmental implementation of the approach proves to be cost effective in terms of having the ability to bypass the employment of a full-time staff whose sole purpose is to write curriculum. Instead, it calls upon the distinct and diverse expertise of school personnel and allows them to utilize their knowledge and skills on an as-need basis. A school-based, developmental approach allows for an appropriate utilization of funding sources to support the application of "hands-on" experiences in the formation of exemplary programs. These funding sources will have the ability to support the planning, implementation, evaluation, and review of such programs through visitation.

Finally, a field-based approach insures integration of courses of study across age/grade levels and programs as well as insuring maximal use of the fiscal resources. It acknowledges those who are expert in the field; it allows for flexibility to respond to the diverse needs of our population and, in the long term, will place SFUSD in the forefront of exemplary programs for all students.

Towards this field-based approach, the District organizational chart is in the process of establishing a "Program and Professional Development" operation which is to be supportive of school activities as well as being responsive to school initiatives. It is the primary function of this unit to serve its clients by providing expertise in the research and development of successful programs, marketing, and eventually replicating these successes. There are very many successes in SFUSD and this unit will be responsible for providing an avenue of interchange and exchange between the various school operations. It is anticipated that while being supportive, it will be able to create and conduct an interest inventory for professional development generated from school staff. The collation and course offerings are provided to staff for selection through a menu-driven process, rather than top-down implemented. Staff will have an opportunity to preview offerings and make selections relevant to its area of interest and particular course expertise. It is anticipated that the professional development activities will primarily be "pre- and after-school activities" affording minimal interruption in the instructional day for students.

SCHOOL OPERATIONS

The SFUSD organization is also undergoing a shift through the formation of a school operations unit. The School Operations Department will assist the school community and principals in their goal of maximizing a quality educational program. The proposal focuses on stronger linkages for articulation purposes in the elementary, middle and high school areas, under the direction of an "Associate Superintendent" and supervisory staff. The child development unit is being maintained and reports to an Associate Superintendent. The high school unit will also report to the Associate Superintendent.

This structure is intended to draw clarity for direction and assistance for the day-to-day operations of schools. The units that deal with pupil personnel services and educational placement activities also report to the Associate Superintendent for operations in order to link their vital, direct, daily support services and the issues relevant to articulation and school selection.

In this school operations format, the "Principal" of the building and the instructional cabinet in the restructuring model are responsible for the day-to-day operations within the school. The responsibility will expand to include all of the adults who have impact on youngsters. Primary areas to be impacted by this report change are bilingual and special education. The school Principal is responsible for all children and the quality of the services that they receive. The various offices of bilingual education, special education, and funded programs are places of support and technical expertise. Whether the funding source is Title VII, Chapter I, EHA, or Consent Decree, the school Principal is responsible for the program. The development of a strategic plan will include a process for interchange with school site individuals and the support staff.

SCHOOL ACTIVITIES

The interchange that occurs between a teacher and a student is the process of education. It is clear that we have tremendous responsibility in facilitating, providing direction, and the resources to optimize the potential of each of our youngsters. As noted earlier, the process for school reform or continued progress is one that must focus on the bottom-up with top-down support approach. It is a process of collaboration and collegiality, rather than a process of regulation and mandates. It is a process which focuses on the strength of many individuals and their excellent ideas, rather than on the will of a few. This mindset is critical in establishing the foundation for an effective strategic plan.

There are many successes within the San Francisco public schools and within other urban education settings. There is an abundance of excellent educational research and literature, however, there is no single panacea. The students of San Francisco are diverse in ethnicity, language, and sexual orientation. While these diversities are often discussed, the students are just as diverse in their learning styles --- some are visual, some are oral, some are tactile --- all with variable learning rates. These factors are more subtle, require detailed observation, and better understanding of the individual. If we are to maximize the potential of each individual, then we must be able to adapt and take into consideration in our planning and in our methodology the uniqueness of each student, and try to establish models which are holistic and flexible, while being cautious not to reach out for a short-term panacea.

The strategies for effective education require that individual schools be involved in the process of determination as it relates to the instructional methodologies to be used in attaining and exceeding the quality standards which are set in the California frameworks.

In the area of child development, a critical beginning for providing our students with a quality foundation, explorations must be accomplished that focus on the socialization process, cognitive skill development, and language acquisition.

Each preschool should establish plans that capture the students' language diversity and culture and enhance it, while providing socialization and cognitive skills which are developmentally appropriate.

At the elementary level, a solid instructional base must be founded that provides for the goal of 100% early literacy. The use of an enriched literature whole language instructional program, being able to serve the second language acquisition student and the youngster who learns through a phonetical process, is essential. The basic instructional content of what to teach receives regular review --- the elements for development should focus on how children learn and how we teach. At this level, there are many models, some in SFUSD, such as the COMER, Accelerated School Project, Success for All, Reading Recovery, Jumpstart, and Immersion programs. This Administration will be responsible for providing to all of our schools an information and knowledge base of these programs. Schools will be responsible for their exploration and determination as to the appropriateness of these or other models, including modifications which may be particular to their institution. There are instances where schools who provide traditional classroom structure have also been successful. All schools will have some level of involvement in professional and program development.

The Consent Decree Experts' report provides a review of the instructional achievement activities for SFUSD. The youngsters of poverty need great support for success --- however, simply adding funding has not addressed the problem. The issue of staff development has been briefly discussed earlier in this document. The report provides us with an opportunity to rethink the delivery service system we employ. If, in fact, we progress equally for all students (statistical academic achievement), then we are faced with large numbers of African American and Latino children who are not on achievement par with their peers. It is proposed that we intervene at the earliest elementary levels by extending the school year for all 2nd and 3rd grade children below the 50th percentile in reading and mathematics. This extended school year provides additional time on task at the stages which will have the greatest impact. The funding for this extended school year will be from Chapter 1, Title VII, the Consent Decree, and summer General Funds.

At the middle school level, the concept of school choice is also critical. Historically, for many youngsters, the middle school years is the point where slippage in the instructional program becomes evident. These years are the point of great changes because of the natural child development process. This is the when puberty and peer pressure are at their extreme. The school structure must align itself to be understanding of the adjustments the youngster is making. A supportive model through a family-school model, schools within schools, and a more personalized approach have led to many successes. School structures around the seven-period day and other administrative requirements need to be flexible to serve primarily the needs of the youngsters, rather than the wants of adults. At the middle school level, there is also a great need for the continuation of the immersion models that exist at the elementary level and the development of a newcomer program which is non-existent.

At the high school level, there are also many successes in SFUSD and one applauds that. However, SFUSD will strive to have each school possess an identity and a quality educational program. The city of San Francisco is well known as a media and communications center, an insurance, finance, and banking center, a health and medical center, as well as a haven for the cultural arts. These great strengths should be capitalized in our high school programs. Indeed, the quality of our high school programs will enhance the viability of these industries and the opportunities for our youngsters to be successful at their post-high school training or employment. We are looking for high schools to respond to the challenge of being "thematically" oriented. We believe there is the student resource and capability to create a high school for the humanities, a high school for health and the sciences, a high school for business and math, and a high school of the arts, to name a few examples. There is also an opportunity to expand some of the academy programs in both content and structure to include strong bilingual programs for international studies and international finance academies. The areas of expertise and interest will be developed while capitalizing on the great strengths of language diversity which our youngsters already possess.

We have a second opportunity to bring success to our young adults through the creation of an evening high school. This high school is intended to provide services to youngsters 16 years and older who have not been able to maintain a day program due to pressing personal needs such as employment or who did not meet success initially in high school.

RESTRUCTURING

The restructuring initiatives undertaken in the San Francisco Unified School District must be supported and maintained, as they bring great hope for collaboration and collegiality, potentially leading to success for our youngsters. The components for a restructuring model include the administrators, the teaching staff, classified staff, parents, and the community. Restructuring is a process that must include the instructional outcomes and the benefits to students as the primary purpose for existing. There is tremendous anticipation that through this collegiality process effective schools will be developed.

The human components exist at varying levels. It is clear that there is a positive interchange underway in many places, however, there are schools which lag behind, requiring some intervention. In certain instances, the two missing components are the parent organization and community involvement. The parent organization may be constructed under several modes and should be at the discretion of the parents whether it is a parent teachers association, a parents association, a parent-teachers-student association --- the constant is that it should be a functional group, with a constitution and elected officers. The second human component is the involvement of community-based organizations and this should continue to be explored in order to have the broadest perspective in a restructuring model.

Restructuring, in and of itself, does not fix bad schools. What fixes bad schools is closing them down and opening good ones. A strategy that has met with success has been the spawning of "option" schools. The reason that option schools work is that every one chooses to be there --- kids, parents, teachers, and

administrators. Option schools are educational environments run by teachers, parents, and administrators, built around a theme or educational approach which provide opportunities open to families from which they can choose the most suitable for their particular child. Option/theme schools in SFUSD should be based upon the Consent Decree criteria to include not only ethnic balance but gender balance, as well.

SPECIAL EDUCATION

The Special Education Program referral, assessment, and placement process needs to become an integral part of the District plan if it is to provide appropriate support and educational services for our students with disabilities. Services for special education students should be provided in the least restrictive home school environment, as appropriate. Linkages with agencies that serve special education students requiring alternative services should be established so that students may receive them at school sites. A review of the special education assessment process and the assessment criteria is critical to an effective program. The review should include the intervention, prevention, and referral process to special education, the criteria for assessment by a multi-disciplinary team, and the placement strategies which are being used. Especially important is the increase of African American, Latino, and bilingual staff as special education evaluators and teachers in special education classrooms.

General education and special education must provide professional development activities that address the learning styles of culturally and linguistically diverse students, and establish effective student study teams at each site to ensure that all students are afforded opportunities for modification of their general education program prior to referral for special education. The placement activities which have led to an overrepresentation of African American and Latino children in special education classes must be addressed.

The District's strategic plan should also establish the development of programs which would allow us to educate deaf and hearing impaired youngsters within the public school setting, as well as other youngsters who are excluded from the SFUSD for their services.

BILINGUAL EDUCATION

The growing international marketplace signifies the increasing importance for students to be both proficient in English as well as in one other language. Students who speak more than one language are better able to compete in the multilingual international marketplace. The cultural and linguistic richness of the San Francisco area provides the optimum setting for the active promotion and support of bilingualism in our schools.

The goal of the District is to improve the integrity of its bilingual program. The remedial approach to bilingual education must be re-evaluated. Bilingual classes must be content rich and provide for the development of biliteracy --- proficiency in both the native language and English. Program integrity can possibly be achieved through clustering classes in order to serve a critical mass of students for program richness and flexibility. We must also ensure that students in bilingual classes are not isolated from other students.

The Immersion Program should be expanded in the articulation process in order to provide access and continuity at each educational level. Students should have the opportunity to develop language skills throughout their education. Immersion education is successful because it creates a supportive, nurturing environment --- the conditions under which students naturally acquire a language. In immersion programs, the second language is not taught just as a separate academic subject; students acquire the language by using it for all or most of their classroom activities. Through immersion, students become proficient in the target language to a degree not seen in traditional second language programs. Research shows that students in such programs achieve academically.

There are dual language models that have been proven to be effective, however, involuntary participation in such programs preclude success and is patently unfair. African American students who are placed in ESL classes because of availability should be placed in such classes only on a voluntary basis. Parents must be notified, informed of the program, and provide written approval. It is counter-productive to a quality educational program to do otherwise.

DESEGREGATION AND EDUCATIONAL CHANGE IN SAN FRANCISCO

Findings and Recommendations on Consent Decree Implementation

submitted to
Judge William H. Orrick
U.S. District Court
San Francisco, California

Barbara L. Cohen
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June 1992



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Programs in Administration,
Planning, and Social Policy

June 25, 1992

Judge William Orrick
U.S. District Court
Golden Gate Ave.
San Francisco, California

Dear Judge Orrick:

It is a great pleasure to submit to you the report of the committee of experts you appointed last fall to review the San Francisco school desegregation Consent Decree. We have worked very hard since November to study and assess the operation of the Decree and to prepare recommendations for improving its effectiveness. In the end, the experts nominated by the various parties were able to reach agreement on how the plan has worked and what changes would create greater benefits for the minority children of San Francisco. This was a difficult task, involving a great deal of work reviewing years of program data, and coming to agreement from a wide variety of backgrounds and initial starting points. I am confident that the recommendations would greatly strengthen the plan.

We understand that our role is an important but limited one. This report represents the conclusions of the members of this team, not of the agencies which nominated them. Members of the team, under the terms of the court's order, were directed to render their own professional judgements, not to reach agreement or legal conclusions among the parties. We understand that no statement in this report is binding on the parties. This report is intended to be advisory to the court and the parties, not to set policy. This document is being provided to the parties and their attorneys and any future changes in the Consent Decree or the plan will be decided through their negotiations or future court action. After the parties file their responses to this report in your Court on July 15, we will submit a response to their questions and comments.

It has been an honor to serve with such a dedicated and hard-working group of colleagues. I am deeply encouraged by the depth and range of shared understandings that have emerged in our work. I believe that we have set forth recommendations that would address some of the most serious challenges to racial and ethnic equity in San Francisco. We hope that the parties will move expeditiously to realize more of the potential of the Consent Decree.

Yours truly,


Gary Orfield

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REPORT ON SAN FRANCISCO SCHOOL DESEGREGATION PLAN
TO JUDGE WILLIAM ORRICK
UNITED STATES DISTRICT COURT
June 1992

EXECUTIVE SUMMARY

The original San Francisco school desegregation case was an effort to address years of historical racial discrimination in education against African American school children. The Consent Decree had two related goals: improved academic performance and the desegregation of the city's schools. We conclude that the District has not realized the goals for academic achievement for the overwhelming majority of African American and Hispanic students in the critical areas of educational attainment, dropouts, special education placement, and suspensions from school. We conclude that the District has largely achieved the Decree's desegregation goals. We recommend that the District take strong leadership in rededicating itself to the goals of the Decree, that it build upon those programs developed under the Decree that have succeeded for African American and Hispanic students and that all Consent Decree expenditures be evaluated by the extent to which they actually improve educational opportunity for African American and Hispanic students.

The Consent Decree brought hundreds of millions of dollars of additional funds into the School District, while requiring few changes in the busing patterns established under the District's earlier voluntary desegregation plan. In Bayview-Hunter's Point, it has made possible one of the most extensive educational reform efforts that have been carried out in the last generation in any urban school district.

There have been both successes and failures under the Decree. After eight years of experience, however, the achievement data show that most African American and Hispanic students still face devastating levels of educational failure.

This report attempts to move the San Francisco Unified School District forward without protracted litigation. The report

assesses the progress that has been made since the Consent Decree was signed in 1982, and makes recommendations for building on the successes of the last eight years and for addressing those areas in which progress has not been made. It is not an effort to assign blame or apportion responsibility for shortcomings, but is rather a forward-looking attempt to make constructive recommendations for further progress. This report, unique in the history of desegregation cases, presents the shared conclusions of experts representing each of the contending parties in the lawsuit.

Development of the Consent Decree

Although the Consent Decree has been an extremely important source of funds and educational change in the San Francisco Unified School District for almost a decade, it is little understood by District personnel or the broader community. Unlike most school desegregation cases, it is not a court-imposed plan; the initial Decree was worked out by agreement among experts representing all the parties and accepted by the city School Board, the State Department of Education, and the NAACP as greatly preferable to a long legal struggle. It cannot be fairly described as a busing plan; it brought little increase in busing from the previous voluntary plan. Desegregation was not pursued as an alternative to education; on the contrary, basic educational change was defined both as a way to achieve integration and as an essential part of the remedy for a history of racial discrimination and segregation. It was not designed only to integrate African Americans with whites; the plan recognizes nine different racial and ethnic groups for desegregation purposes. There has been extremely little coercion by the courts and judicial intervention has been rare.

The Court approved the settlement agreement. Its order made the plan binding on all parties and enforceable by future court actions, if needed.

The original Decree was limited in scope, but further agreements between the parties expanded the efforts into many more schools. Consent Decree resources have been built into the School

District's operations. One effect of the plan was to shelter the city schools from some of the worst consequences of the educational cutbacks of the last decade. If the Consent Decree were to end, more than \$20 million of mandated supplemental State funds provided each year would be cut off; hundreds of teachers and many instructional programs now operating in the San Francisco schools would cease to be funded.

The Court's role has been to enforce the agreement between the parties, not to manage the city's schools. In 1991 the Court directed the parties involved to nominate experts to review the progress made under the Decree and to recommend any needed changes. This report is the outcome of that review. In directing this review, the Court followed the same process as that which produced the initial agreements. Months of analysis and discussion among experts nominated by each party have produced broad agreement on central issues. Our goal is to ensure that the resources are used more effectively to accomplish the Decree's purposes of integrated and excellent education for minority students.

This analysis is particularly important since the San Francisco Consent Decree includes a number of elements not seen in plans in other cities. Though the major models of research on desegregation, for example, concern black-white desegregation, these two groups together make up only about a third of San Francisco's students. The Consent Decree permits the desegregation of African Americans with Chinese, or Hispanics with Vietnamese, among many other possibilities. Since San Francisco is a multi-ethnic community in which Chinese students are now the largest single group, it is very important to assess how policies derived from other experiences are working and can be improved.

Another basic part of the Consent Decree was a commitment to reconstitute schools in one part of the city in a far more fundamental way than has been possible in other urban desegregation orders -- by building entirely new staffs selected outside normal staffing restrictions for the purpose of implementing new approaches to education. The Decree also included an audacious

plan to turn an unsuccessful middle school, in the midst of a region where outside students had been unwilling to come, into an attractive and well-integrated academic high school which could prepare students for the finest colleges. This report evaluates the success and importance of these policies and plans of the District.

When the Consent Decree was signed the School District promised to provide better opportunity for minority students amidst San Francisco's uniquely complex social structure and in the face of the inertia of an older school district.

In addition to evaluating the successes of the Consent Decree over the past nine years, we suggest ways that the existing plan can be adapted to extend remedies that worked. The recommendations of the Committee have emerged from a constructive process in which serious and candid consideration of data from a number of perspectives led to a common understanding of what needs to be done.

Conclusions

Our work led to clear conclusions about both the desegregation and the educational reform goals of the Consent Decree.

The Decree produced a great deal of desegregation. Almost all schools comply with the student desegregation goals set in the Decree and there has been considerable desegregation of classrooms.

The report concludes that where there was a coherent educational plan involving basic change or where students transferred to clearly superior schools, there were strong academic benefits. Overcoming resistance to change was difficult enough in the Bayview-Hunter's Point area where the Decree established relatively clear goals and methods for fundamental change. It became far more difficult when the parties agreed to expand the Consent Decree several times without any clear educational plans and without replacing the old school staffs. Too often, the Decree became simply another funding source rather than the catalyst for new approaches to teaching minority students. It is now possible

to systematically compare the effects of the Decree in schools with different approaches.

Where poorly performing inner-city schools were simply given large amounts of new money and staff, there were no overall academic gains for African American and Hispanic students according to the District's own data. Several studies, including data analyses by members of this committee, support the same basic finding about which schools were effective and under what conditions there were few results.

The high school achievement and dropout data are particularly disappointing with the exception of the success of the plan in creating a strong new academic high school in the African American community. Burton High School is integrated, attracts students from across the city to Bayview-Hunter's Point, and provides fine pre-collegiate education. In general, however, most African American and Hispanic high school students continue to show very low test scores and very high dropout rates, even in targeted Consent Decree schools. The official state dropout rate for African Americans and Hispanics in San Francisco is 24%, compared to an overall District level of 18%.

The implementation of the Bayview-Hunter's point model of school reconstitution -- with staff selection and training built around a philosophy of opportunity for all children -- did work. Reconstitution, under the first phase of the Consent Decree, involved selecting a new principal and recruiting an entire new staff at a school, committed to the goals of the Consent Decree.

The Decree also required special efforts to hire more minority teachers and to ensure that all teachers are equitably assigned throughout the system. These goals have not been reached, and this report calls for renewed efforts to accomplish those goals.

The Decree called for assuring equity in many aspects of district operations including assignment to special education, discipline, bilingual education, and other arenas. We propose new methods for reaching the goals in these areas.

The Committee's work shows that the District must do more than it has done to educate Hispanic and African American children. Clearly there is a social and economic crisis of great severity in the inner city and the schools need the support of other basic community institutions in their efforts; we call for a major push for such cooperation. The schools must make sure that their programs work as well as possible. The crisis is so serious that it is imperative to use every Consent Decree dollar effectively.

Recommendations

We recommend several improvements to increase opportunities for African American and Hispanic students to attend excellent schools. The proposals include priority in transferring and much better information about choices. African American students enrolled in consistently weak schools should be allowed to return to local schools or transfer elsewhere, in compliance with desegregation requirements. We recommend study of metropolitan magnet schools which could bring suburban students and city private school students into a few newly created, highly competitive schools in the city which would have significant numbers of Hispanic and African American students. City students should be able to transfer to suburban schools under some conditions. There should be a new academic high school in the Hispanic community to increase college preparatory education. The agreed plan to renovate Burton High School to meet the requirements of a fully functional high school facility should be carried out. There should be a new inter-agency investigation of housing segregation, in both subsidized and private housing, to formulate policies that would increase school integration by expanding real residential choices for segregated families.

We call for changing the desegregation rules to establish uniform desegregation standards, stopping abuses within the system, and ending long-term mandatory transfers to schools with very low achievement levels.

After nearly a decade of experience of both successful and

disappointing programs, we recommend the development of very specific measures of the progress of each group of students in each school. Information on these measures would be submitted regularly to the Court and lack of progress should trigger changes including reconstitution of the staff or loss of Consent Decree funding and the students who transferred there under the Decree.

We recommend that more schools be required to undergo fundamental transformations like those that occurred in the Bayview-Hunter's Point area. There should be deadlines for schools receiving Consent Decree funds to produce clear gains for African American and Hispanic students on objective measures of student outcomes. When schools succeed they should be rewarded with increased flexibility in managing their educational program. If a school fails, after adequate notice and special training assistance, a new principal and a newly recruited faculty should be appointed.

The report calls for a reexamination of the existing targeting of schools for participation in the Consent Decree. Some schools which show very high need for assistance have not been included while others with less need have remained in the program even when they show no progress. We recommend the use of the measures of need that have been developed by the School District's research office and the submission of a new targeting plan from the District.

The changes promised by the Consent Decree require much more than different ways of assigning students. In schools where the existing faculty remained intact and simply received new resources under the Consent Decree, teachers with many years of experience were expected to teach previously excluded students more successfully. Major change in long-established patterns requires effective staff development, permitting the faculty to work out better educational approaches and to improve faculty attitudes toward minority students. The Consent Decree recognized this need and provided staff development funds. We believe that the effort has fallen short and must be substantially strengthened if schools

where the faculty has not been reconstituted are to meet their goals.

The faculty integration goals of the Decree are vital to the success of the plan. We call for a new recruiting plan for African American and other underrepresented groups of teachers, greater efforts to train paraprofessionals to become teachers, and faculty desegregation at the building level.

We recommend changes in the bilingual program to give very high priority to providing instruction for the children who need these services, in an integrated setting. By the same token, it is very important that students not be kept in linguistically isolated classes when they are able to function in mainstream classes. No English-speaking students should be assigned to a bilingual program or classroom without full informed consent of the parent and every school must offer regular instruction in English at each grade level. Since a second language is an obvious asset in San Francisco and two-way bilingual schools offer both integration and excellent instruction, we strongly support expansion of such programs.

To make certain that there is steady forward movement and that resources are not diverted away from the basic goals, we recommend stronger oversight. We do not believe that the Court or its agents should intervene in the details of administration. Given the fierce cross-pressures on contemporary school leaders, however, some independent body is needed to regularly check compliance with the Decree and recommend corrective action. That responsibility should be given to a small new Monitoring Committee representing the various parties and meeting periodically to review the record and the proposed budget and make recommendations. Properly done, we believe that regular oversight by a court-appointed monitoring committee could save the District conflicts over millions of dollars of expenditures that are now rejected by state auditors and make the Consent Decree more effective without unduly burdening administrators and school staffs.

This committee is deeply conscious of both the urgent unmet

needs of African American and Hispanic students in San Francisco and the positive record of the adversaries in finding agreements and moving forward under the Consent Decree. We recommend building on the positive accomplishments to move toward more forceful responses to the critical needs. We believe that the San Francisco Unified School District can make substantial progress and that all of our recommendations can be implemented with very few changes in the Decree. The needs are far too severe to delay moving on to the next step.

A TIME FOR LEADERSHIP

This report suggests policies and procedures to strengthen the positive impacts of the Consent Decree. These policies can make a real contribution in overcoming the history of discrimination and improving the performance of African American and Hispanic children. It is extremely important, however, to keep in mind two other realities. First, the problems of African American and Hispanic young people in the community go far beyond the schools and the schools need the help of other major community institutions. Second, the quality of the new opportunities offered under a revised plan will depend very strongly on the leadership of the city's School Board and education professionals. Given the weakness of the results in some Consent Decree programs, we believe that the time is ripe for a searching reexamination of the priorities in the Consent Decree budget and we encourage the new District administration to consider fundamental changes. We suggest a framework within which such changes could occur and a process to assure that future programs be closely monitored and revised when needed. In determining whether or not the potential gains from those approaches are fully realized, the Board, the Superintendent, central administrators, principals, and every teacher will have extremely important roles to play. There are enough models of genuine success in San Francisco today to suggest large potential gains.

INTRODUCTION

This report analyzes the record of achievement during the nine years of the San Francisco Unified School District's (SFUSD) implementation of the Consent Decree and recommends ways in which the operation of the Decree can be strengthened to move the District as rapidly as possible toward full compliance. The report assesses the accomplishments of the SFUSD in both the desegregation and the educational equity provisions of the Decree. It recommends modest changes to strengthen the District's desegregation performance. Much of the report is devoted to a detailed examination of the accomplishments in reaching the complex and vital educational goals of the Decree.

The assessment shows clear gains from some components and weak results from others. It outlines a strategy for extending the successful practices to more schools and for shifting funds from programs that are not working to those that are working or offer promise of better results. The recommendations include provisions for retraining teachers, for increasing the accountability of the District for concrete educational gains, and for making certain that the Consent Decree budget is tightly linked to the educational goals. In its work, the Committee developed a very broad consensus on the steps needed to reach the goals of the Decree and a conviction that the knowledge and experience exist in San Francisco to make rapid progress toward that objective. Each section of this report concludes with a series of recommendations we believe will make that progress much more likely. The great majority of the changes could be accomplished within the existing Consent Decree. Some minor changes may be needed but we believe the parties should be able to agree to them quickly through stipulations.

This report begins by reviewing the background and content of the Consent Decree. It then examines the degree to which the goals have been realized. After a brief section summarizing the District's considerable success in complying with the District's desegregation goals, there is a lengthy examination of the

District's record in implementing the educational components.

The report concludes that there is strong evidence for gains from one kind of educational reform and of clear benefits from desegregation only for certain kinds of transfers. Analyzing academic achievement progress by race and grade, we describe the beneficial programs and outline strategies to expand them.

The Consent Decree assumed that achieving equity for minority students in San Francisco would require changes in many dimensions of School District operations. Unequal schools are typically unequal on many dimensions, including faculty background, school morale, teacher expectations, curriculum, level of competition, and many others. Achieving equal opportunity requires changing many aspects of schooling. This report assesses progress several areas: in integrating the District's faculty, in retraining teachers for the new programs and desegregated student bodies produced by the Decree, for protecting the rights of students needing bilingual instruction, and for assuming equity in discipline and in assignment to special education. It reaches conclusions, based on nine years of experience, on the mechanisms of accountability, monitoring, and financing of the court order. After examining and appraising each of these aspects of the court order, this report draws out the lessons and suggests ways to strengthen the gains from the Decree. We hope that these recommendations, supported by experts representing each of the parties, will accelerate the movement toward a stronger plan.

The Origin of the Decree

Nine years ago, San Francisco began the implementation of a desegregation plan that broke fundamentally with the traditional pattern of big city desegregation in the U.S. In a very unusual development, the lawsuit was settled after long negotiations by consensus, not fought in a bitter battle over many years. The plan was implemented peacefully with full involvement by the District's educational leaders in cooperation with the NAACP and the California Department of Education. The settlement recognized that

desegregation of the schools in the Bayview-Hunter's Point area and educational equity for the area's African American children would require systemic changes that went far beyond simply reassigning students across racial lines.

The plan embodied in the 1982 Consent Decree was pathbreaking in its efforts to work out racial desegregation for an extremely diverse School District which has continued to change during the nine years of effort under review in this report. It proposed not only to end racial isolation but to transform the schools to end unequal and discriminatory educational opportunities for minority children. The settlement pledged the School District, the State of California, and the plaintiffs to work together to overcome the harms of discrimination and segregation in the city and to try to work out new and better approaches to desegregation and educational improvement.

The Consent Decree attempted to move desegregation efforts in San Francisco to a new stage in several key respects. In Bayview-Hunter's Point, the area of the District that had been impossible to integrate successfully in the earlier plans, the Decree was designed to fundamentally remake the schools in all of their essentials -- leadership, mission, students, teachers, curriculum, and resources. The diagnosis was that the normal problems of urban schools, compounded by the special problems affecting a concentrated low-income African American community in a racially isolated section of the city, required fundamental changes. Since Bayview-Hunter's Point was viewed very unfavorably by outsiders, including teachers who refused assignments or transferred out, the plan assumed that radical change was needed along every possible dimension.

Background of this Report

The District has made progress in implementing the Consent Decree but major problems remain. This report is the effort of experts representing all of the parties and the Court to sort out what has been accomplished and to outline a set of priorities for

strengthening the benefits of the Consent Decree in the future. We hope that it will permit the District to move toward full compliance with the Consent Decree and, in the words of the Decree, toward "the conversion of the San Francisco Unified School District ... into a unitary system in compliance with the Constitutions of the United States and of California and applicable federal and state statutes."

The Consent Decree produced a plan requiring minimal judicial management. The Court has rarely intervened in any way and has pressed for voluntary settlement of the great majority of issues raised by parties during the past nine years. The parties have solved almost all disputes, embodying their agreements in stipulations or modifications of the initial Decree that have been approved by the Court. A series of additional agreements between the parties expanded the Consent Decree to include new groups of schools.

Extensive data has been submitted annually to the Court by the School District and there has been an annual evaluation by an independent reviewer. A report on the second phase of the Consent Decree was prepared at the University of California at Berkeley. Many of the important issues raised by those reports were never raised in motions before the Court but have remained issues for out-of-court discussion among the parties.

Many aspects of a very complex strategy to improve schools for segregated minority students have gone from plans to reality peacefully. It is now time to assess what has worked and what has not worked and to make plans to strengthen the program so that the job may be completed.

After nine years of operations, the Court ordered a review of the success of programs designed to attain the goals of the Decree. Noting the success of a committee of experts chosen by the parties and the Court in the initial work leading to the Consent Decree, the Court decided to use the same process to seek agreement on how far the District had come toward the Consent Decree goals, what are the most and least successful elements to date, and how can the

remaining tasks be best carried out. Noting the major demographic changes affecting the city during the last decade, the Court directed the experts to consider the implications of those trends for the attainment of the initial goals.

This report is the product of months of work by a panel of experts appointed by the Federal District Court to review the record of the Consent Decree over the past eight years. At the request of the Court, the San Francisco Unified School District, the State of California, and the NAACP each nominated two experts, who were then appointed by the Court to serve under the chairmanship of the Court's representative, Professor Gary Orfield. The State was represented by Fred Tempes and Paul F. Lawrence, the NAACP by Robert L. Green and Gordon Foster, and the San Francisco Unified School District by Barbara L. Cohen and David S. Tatel. This panel met, assembled and reviewed data, interviewed relevant officials and others, and drafted reports from November 1991 to June 1992.

The panel requested and received a great deal of data from the School District. The Committee deeply appreciates the cooperation of the staff of the San Francisco Unified School District with our work. The staffs in the research and evaluation office and the integration office responded rapidly and professionally to our many data requests. The quality of that work was essential to our study. We also express our appreciation to the many administrators who met with us to candidly offer their advice about ways to improve the effectiveness of the Consent Decree. We recognize that there are many members of the SFUSD staff who strongly share this Committee's desire to use the Consent Decree resources more effectively. Our conclusions and recommendations were enriched by the information and data supplied by the parties and others.

The District and the other parties have been forthcoming and helpful. All interviews were confidential private discussions intended to permit the most open exchange of information and professional judgments.

The goal of the Committee was not to set the stage for

litigation but to prevent it and to recommend ways to improve the desegregation plan. Our goal was to examine issues fully so that it would be possible to find evidence sufficiently convincing to win the agreement of experts chosen by all of the parties. We confined our review to Consent Decree-related issues. This report represents the agreed conclusions of the Committee of Experts. We hope that it will be of genuine assistance in helping to build on the strengths and repair the deficiencies of the existing Consent Decree programs.

Summary of the Consent Decree

The Consent Decree has two primary objectives: (1) "To eliminate racial/ethnic segregation or identifiability in any SFUSD school, program, or classroom and to achieve the broadest practicable distribution throughout the system of students from the racial and ethnic groups which comprise the student enrollment of the SFUSD" (Paragraph 12); and (2) "to achieve academic excellence throughout the SFUSD" (Paragraph 39). The Decree not only saw integration and educational improvement as compatible but it relied on the creation of attractive educational programs as a basic strategy to accomplish desegregation of the system's remaining segregated schools.

In order to accomplish the desegregation goals, the Decree requires that every school have at least four racial/ethnic groups (Paragraph 13a), and that no racial or ethnic group exceed 45% of the enrollment of any regular school (Paragraph 13c) or 40% of the enrollment of any alternative school (Paragraph 13d), with the exception of 19 schools which had varying enrollment standards reflecting earlier practices. The District was prohibited from taking any action, such as in the selection of sites for special programs, that would disproportionately burden any racial/ethnic group (Paragraphs 13(e) and (f)).

Although specific goals were not established, the Decree also requires the elimination of "racial/ethnic segregation or identifiability in any SFUSD ... program or classroom" (Paragraph

12). Specific provisions were included to ensure equity in extracurricular activities (Paragraph 37), discipline (Paragraph 38), and availability of academic courses (Paragraph 41). The Consent Decree also requires the District to increase the percentage of minority faculty and staff (Paragraph 34), and to ensure that faculty and staff are "equitably assigned throughout the District" (Paragraph 35).

The academic improvement sections of the Consent Decree focused on six schools in the Bayview-Hunter's Point section of the city (Paragraphs 17-33). Drake was to become an elementary computer emphasis school, Carver to be made an academic magnet, and Pelton to be converted to an academic high school. Subsequent stipulations added provisions regarding Horace Mann, converted Drew to an early childhood development center rather than a middle school, and planned the Martin Luther King academic middle school. Critical to the effort to improve the schools in the Bayview/Hunter's Point area was the requirement that the District "reconstitute the staff of the...schools to facilitate the new educational programs" (Paragraph 18). Paragraph 30 gave the District additional flexibility regarding the staffing of the Bayview/Hunter's Point schools, and Paragraph 31 required the District to take steps to improve the public perception of the area.

A series of subsequent agreements among the parties extended the Consent Decree's targeted schools into many other parts of the city. The subsequent phases of expansion, however, did not involve reconstitution and lacked the specific educational plans included in the initial Decree.

To foster successful desegregation and the academic achievement goals of the Decree, the District was required to develop a "comprehensive staff development plan" (Paragraph 36) with activities focused on "areas identified as essential for staff in school districts undergoing desegregation, including discipline, academic achievement, racial and ethnic diversity, and parental involvement." Finally, the Consent Decree required joint action by

the parties to promote housing desegregation (Paragraph 43), required the submission of annual reports by the School District and independent evaluation of District activities (Paragraph 44), and provided for state funding of Consent Decree activities (Paragraphs 45-47). Paragraph 48 provided for the "dissolution" of the Decree if the defendants have "substantially complied with the Decree" and "if the basic objectives of the Decree have been achieved."

FINDINGS AND RECOMMENDATIONS

I. DEMOGRAPHIC CHANGES

In its order appointing the Committee of Experts, the Court directed the experts to consider whether the rapidly changing population of the city and the region required any change in the Decree. In 1981, when the negotiations concerning the Consent Decree began, African American students were the largest group of students in the District, some 24% or 13,700. Ten years later, as the review of the first eight years of the plan's operation began, the enrollment in the School District had changed substantially. It had declined considerably and the numbers of both Chinese and Hispanic students surpassed that of African Americans.

San Francisco's enrollment grew slightly in the first eight years of the Consent Decree, rising 4%. Most of the nation's largest central city school districts have had gradually declining enrollment in the last generation. One group of students, Chinese, grew most, rising 27% to become the District's largest student population by the early 1990s. The largest loss, 1,087 students, came among the African American enrollment. This had been the largest single group of students when the Consent Decree was negotiated but fell 13.7% by 1991. The enrollment declines were substantially slower among elementary schools.

Table 1

Racial and Ethnic Composition, Fall 1983- Fall 1991

	Hispanic	African American	Chinese	White	Other	Filipino	Japanese	Korean	Asian Indian
1983	10617	13008	12212	10433	7303	5139	675	675	368
1991	12506	11931	15505	9124	7784	5168	638	702	183
change	+1889	-1087	+3293	-1309	+481	-171	-37	+27	+15
percent	+17.8	-13.7	+27.0	-12.5	+6.6	-3.2	-5.5	+4.0	+4.1

Enrollment data for 1990-91 and 1991-92 showed growth. Enrollment rose 1,026 or 1.6%. The data for the elementary grades

during the last two school years showed that the students entering the San Francisco elementary schools in recent years have been about one-fifth Chinese, one-fifth Hispanic, and one-fifth African American, about one-seventh white, and about one-eighth "other non-white", a category containing primarily students from Indochina. Filipinos have been less than one-twelfth, while Koreans, Japanese, and American Indians each provide about 1 student in 100. The elementary enrollment data suggests a relatively stable recent pattern with slight increases in white and Hispanic proportions among the most recent entering classes. The primary reasons why African Americans and Hispanics constitute a considerably smaller share of the upper grade enrollment, which was only 14.5% Hispanic and 12.5% African American in the twelfth grade, include very high dropout rates for both groups and a continuing in-migration of Asians at all age levels (San Francisco U.S.D., "District and School Profiles, 1990-1991"; 1 and 1991-1992; 1).

The decline of African American students in the District over the past decade is doubtless related to the extraordinary cost of housing in San Francisco in the 1980s. The city had what was often the most expensive central city housing market in the United States and the intense demand for housing meant that higher income residents from other ethnic groups often displaced African American and Hispanic residents even in older areas of what had been segregated low-income housing.

The ethnic diversity of the city schools was reinforced by its extraordinary linguistic diversity. Only 44% of the first and second graders in the system in the 1991-1992 school year reported that their home language was English. The next most common languages were Spanish, for 20% of the students, and Cantonese, spoken in the homes of 19%, but many other languages were also represented ("District and School Profiles, 1991-92").

The entire San Francisco Bay Area experienced major demographic shifts in the 1980s. These changes do, of course, have impacts on desegregation policies. The 1990 Census showed that the city of San Francisco had 46.6% whites in its total population, 28.4% Asian and Pacific Islanders, 13.9% Hispanics, and 10.5% African Americans. The city, however, had only one-eighth of the population of the metropolitan area. The nine-county Bay Area had a population that was 61% white, 15% Asian, 15% Hispanic, and 9% African American. By far the largest African American concentration was not in San Francisco but in Oakland, which was 43% African American (Association of Bay Area Governments, Population by Hispanic Status, March 1991). During the 1970 to 1980 period, the city's white population dropped 23%, the African American population 10%, and the Hispanic population 18%. Asians rose 51%. During the 1980-1990 period, the growing elements of the local and regional population were Asian and Hispanic. The city's population grew 6.6% during this period, because of the net immigration.

The committee asked whether or not the desegregation policies adopted in a different era are optimal for the changed society that now exists in a city school district where African Americans are the third largest group and whites are even fewer. We concluded that the standards are sufficiently adaptable that they can continue to work.

The demographic trends appear, in fact, to offer some real benefits for effective desegregation. The District is not experiencing the kind of rapidly growing proportion of segregated African American and Hispanic students so common in other large central cities. Nor is there a major drop in the proportion of students from the more educationally successful groups in the city schools; the largest growth came among Chinese students, a group with a strong record of academic achievement. Nor is residential segregation expanding. In fact, some of the historically segregated areas, including Hunter's Point, have experienced significant growth of residential desegregation. The demographic

trends suggest that it may be possible to maintain educationally beneficial school desegregation while gradually reducing mandatory busing. Last school year, for instance, the District reduced busing by 500 students while continuing to comply with desegregation requirements. The demographic changes also show the importance of thinking about the feasibility of desegregation plans that would permit modest voluntary transfer of suburban students into city magnet schools and of city students into available space in suburban systems which wished to participate.

II. DESEGREGATION

Our review shows that the School District has largely complied with the desegregation requirements of the Consent Decree. The District has clearly made a very serious effort to comply with the student desegregation provisions and has succeeded to a large extent at the building level. The schools are desegregated in accord with the Consent Decree's definition. More than 80 percent of the classrooms were also in compliance. The District has managed a very complex desegregation process with considerable success in a city whose racial, cultural and economic diversity is unsurpassed in the United States.

This report's discussions about possible changes in desegregation policy arise primarily from new information about the consequences of various types of desegregation in San Francisco, not from noncompliance with the desegregation requirements of the Consent Decree. The policies set forth in the Consent Decree represented the best judgments of those who designed the Decree about a form of desegregation that would produce substantial benefits. Since there were no real precedents and no significant body of research concerning desegregation in such a complex community, there was little firm knowledge on the issue at the time the Consent Decree began. It is now possible to analyze the actual effects of different kinds of desegregation and the way those changes interact with the complex educational changes set in motion by the Decree.

Though much was accomplished, there are still some problems needing attention in student assignment at the school level both in terms of compliance and in terms of results. In spite of clear educational gains, some Bayview-Hunter's Point schools have failed to attract a significant group of white or English-speaking Asian students to some of the targeted elementary schools with the strongest educational gains. This was not a requirement of the Consent Decree but it was a basic goal of the provisions requiring major efforts to change the public image of the area and its schools.

School opened at Carver, for example, in 1984-85 with only 2% whites and 3% students from other ethnic groups with high average achievement levels. Drake had 5% whites and 5% from other high-scoring groups. In both cases the District, in order to comply with the Decree, chose to assign substantial numbers of Indochinese and Samoan students, including a number of very recent immigrants with academic problems. Seventy-five "other non-whites" were assigned to Drake and 33 to Carver. Nothing in the Consent Decree prohibited meeting the desegregation requirements by bringing together two or more disadvantaged minority groups.

The plan has achieved little contact between the most successful and least successful groups of students in the School District. Analysis in the next section of the report shows that such contact is a key element of successful desegregation. Because the plan defines a school overwhelmingly occupied by African Americans and Hispanics, for instance, to be desegregated so long as there is any presence of two other ethnic groups, it is quite possible for a school occupied by low-scoring African American students to be desegregated by low-scoring Hispanic students or by large groups of new immigrants who do not speak English.

Implementation of the Decree has also been hampered by the fact that a number of families in some schools have falsely reported their racial identity in order to obtain school assignments not permitted under the Decree, sometimes following the advice of local school officials. School officials in various

parts of the District have reported that a substantial number of African American families in the Bayview-Hunter's Point neighborhood have falsely reported themselves as from another racial background, thus overstating the actual level of integration achieved in those schools. Similar results have been noted for Asian students reporting that they are from another, less represented, Asian ethnic group to obtain admission to a selective school where their admission would otherwise violate desegregation policies.

Desegregation Recommendations

The Committee recommends making the following minor modifications in the desegregation requirements of the Consent Decree in order to address the problems discussed above. The Committee believes that these changes will not only diminish the possibility of abuse of the assignment process, but will also create consistency throughout the District.

1. *Modify the desegregation rule for the entire District.* The modified rule should read: "no racial/ethnic group shall constitute more than 45% of the enrollment at any regular school nor more than 40% of the enrollment at any alternative school (school without attendance boundaries where enrollment is only through the OER voluntary transfer process. This will end the many different standards applying to specific schools and subject all schools to the same standards depending on whether they are alternative or regular schools.
2. *Require the District to submit a plan to curb abuse of the assignment process.* The credibility and the fairness of the desegregation process depends on maintaining the same assignment process for all families. Therefore, it is a serious violation of the Consent Decree for school officials to recommend that families misreport their race or ethnicity in order to obtain special consideration for a school or

program assignment. While we recognize that this is a sensitive question, particularly given the complex ethnic characteristics of San Francisco, and that any assignment plan must be sensitive to the privacy interests of families, we recommend that the District be required to submit a plan to curb these violations and to institute appropriate sanctions for principals, clerks, and other administrators who willfully encourage violations or discourage transfers of students to other schools because of a student's ethnicity or poverty. Moreover, the plan should provide that families who intentionally misuse the system to obtain advantages not available to other families will automatically lose any special school assignments.

In addition to these changes, we urge steps to increase the kind of integration that produces more gains for African American and Hispanic students. To increase transfers to high-achieving schools the committee proposes three policy changes:

3. *Require schools receiving Consent Decree funds to demonstrate substantial academic improvements for incoming African American and Hispanic students within three years.* The Consent Decree was designed as a way to expand the opportunities of students from groups that have historically experienced discrimination.
4. *Accord priority to African American and Hispanic students in the OER (Optional Enrollment Request) voluntary transfer system.* Currently this priority is now provided only to residents of the Bayview-Hunter's Point area. Many African American and Hispanic students now reside in areas with schools far weaker than those in the Bayview Hunter's Point area, and an increasing number of students from other ethnic groups reside in Bayview-Hunter's Point.

5. *Strengthen parent information and student recruitment processes.* A basic problem in increasing beneficial transfers may well be lack of information. The Office of Integration should be assigned responsibility for developing and implementing a parent information and student recruitment process intended to make certain that students from underrepresented minority groups be fully informed about the schools with the highest achievement levels. The Consent Decree should also fund any outreach efforts that those high-achieving schools employ to increase their levels of integration.

While the above policy changes will improve desegregation procedures within the city, a voluntary regional approach to integration could be invaluable. One of the basic dilemmas that the San Francisco Unified School District faces in providing integrated education to its students is that the city now contains only about one-eighth of the metropolitan population and has few Anglo students. Regional concerns were addressed in some modest ways in the initial Consent Decree. The State agreed to take action to warn districts against permitting transfer enrollment from other districts that would worsen segregation. The Decree called for a major study of the role of housing policy in fostering segregation. The first was done. The second was never seriously pursued. To address this larger issue of regional integration, the committee recommends the following:

6. *Study the creation of metropolitan-wide magnet schools.* Since the negotiation of the initial Consent Decree, both further demographic changes in the city and experience under other court orders in the development of inter-district transfers strongly support including such transfers as one aspect of a new plan. Recognizing the impact of demographic change in reducing the possibilities of educationally beneficial desegregation, we recommend that a panel be created to explore

the establishment of three metropolitan-wide magnet schools at the elementary, middle school, and high school levels in San Francisco which would draw students back from private schools in the city and from throughout the Bay Area. Although they would be administered by the SFUSD, their policies would be set by a board with representatives appointed by the SFUSD, other participating school districts, the plaintiffs, and area universities. The schools would be open to students in the city as well as suburban students whose transfers would increase the levels of integration. Within desegregation guidelines, priority for a reasonable share of the enrollment should be given to applications of African American and Hispanic students from the city. The panel should examine such models as the Illinois Math and Science Academy and the North Carolina School of the Arts and report back to the Court on the feasibility of similar schools in the Bay Area.

San Francisco already has a policy that permits transfer of suburban students into city schools. For students who obtain Interdistrict Agreement Transfer Permits, the policy is to admit the student "whenever possible -- particularly when [the parents] are employed in San Francisco.... If there is space at the requested grade level and the child's enrollment will not have an adverse effect on the racial/ethnic balance of the requested school, we will approve the request." The District, however, will not approve suburban applications for its popular alternative schools. The new metro magnets would increase the number of special school places available for city students and make this opportunity available for some suburban students as well.

7. *Build a modest program to allow student transfers from SFUSD to suburban districts.* State law already permits students to enroll in schools where their parents work, with local permission. Many desegregation plans permit inner-city students to transfer to suburban schools. Such plans have

been in effect in many county-wide school districts in the South for more than twenty years. A voluntary program, serving several thousand students a year, has been operating in metropolitan Boston for 27 years. The Consent Decrees in the St. Louis and Milwaukee desegregation cases, provide mechanisms for such transfers and such plans have been accepted by the courts as acceptable components of school desegregation remedies. Given the data from San Francisco showing the large gains for low-income minority students provided by transfer to middle-class schools with high achievement scores, voluntary transfers to the suburbs would be one way to expand such opportunities. Only transfers that increase the integration of African American and Hispanic students would be permitted.

We recommend a modest program of transfers from San Francisco to cooperating suburban districts. To the extent that students transfer into new metropolitan magnet or other special schools in the city, an equal number of city students could be accorded access to the sending district, with no tuition requirements at either end. In such cases the only costs to the Consent Decree would be for transportation (if it is not provided under other State reimbursement policies) and for counseling and support services. Every opportunity should be taken to locate school transfer opportunities where mass transit or normal parent commuting patterns (particularly for schools providing after-school day care) can provide for major portions of the required student transportation. The district where the student enrolled would receive state aid and any other fees should be reviewed for reasonableness by the State Department of Education and could then be considered appropriate Consent Decree expenses.

III. STUDENT ACHIEVEMENT AND EDUCATIONAL EQUITY

Educational opportunity was a fundamental goal of the Consent Decree. In the words of the Decree: "The parties agree that the

overall goal of this Consent Decree will require continued and accelerated efforts to achieve academic excellence throughout the San Francisco Unified School District" (Paragraph 39). Overall academic achievement is relatively high for San Francisco, compared to other central cities, but still lags seriously for Hispanic and African American students. Consent Decree programs were designed to help close the gap.

Detailed analysis of achievement trends shows that the racial gaps remain very large, that they deeply affect African American and Hispanic students, and that they become worse after elementary school. Some aspects of the Consent Decree programs produced gains but others did not (see Figure 1).

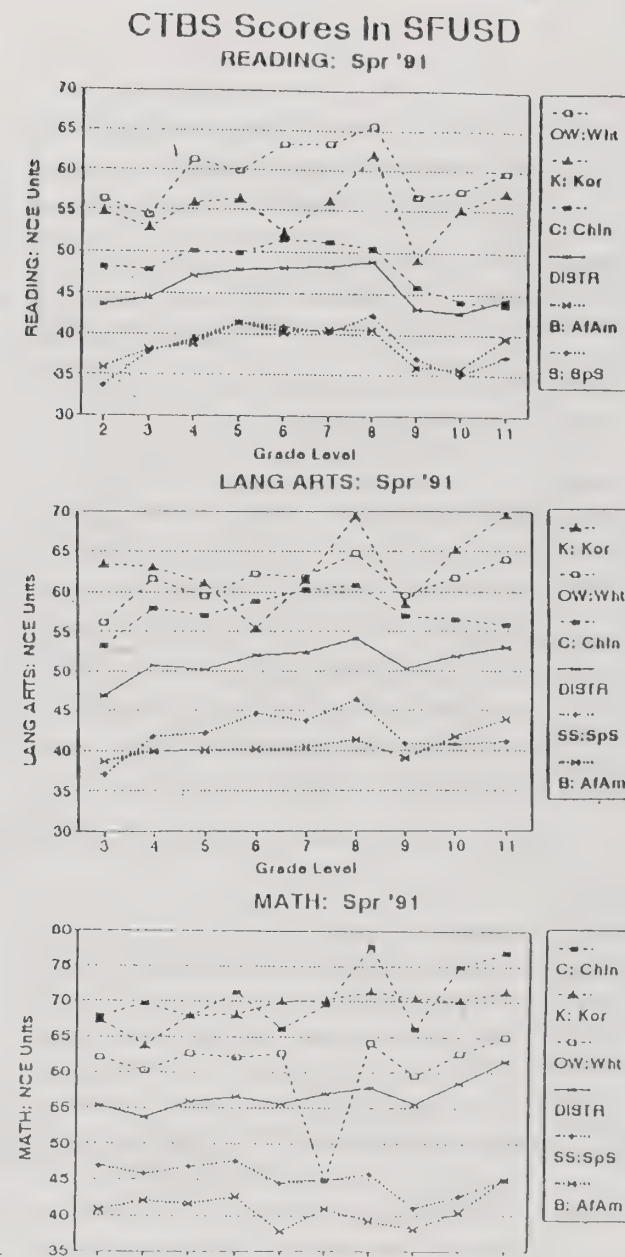
The Consent Decree's educational plan was based on the conclusions that mandatory desegregation in some parts of the inner city would be very difficult and that the educational problems of African American children in the Bayview-Hunter's Point area required fundamental changes in education as well as integration. Schools in the area were targeted for radical reorganization. A major effort was launched to change the negative image of the Bayview-Hunter's Point schools in the larger community, thus encouraging white and Asian students to enroll there. Stronger efforts were necessary both to remedy the harm caused by historically discriminatory practices and to make genuine desegregation possible.

In the first phase of the Consent Decree programs, education and integration were tightly woven together in a comprehensive strategy. After eight years of programs under the Consent Decree, however, the 1991 District-wide test data show that in reading, language arts, and mathematics, at every grade tested, African American and Hispanic students performed at the bottom. Test

Figure 1

scores for the 34,800 students tested both in 1991 and 1990 showed that more than two-fifths of the students were over national and

Figure 1



District norms in all three areas; however, the great majority of them were Chinese or white. At the other extreme there were 6,089 Hispanic and 5,975 African Americans who received low scores on all three tests. The results show radically different patterns of educational attainment among the city's ethnic groups, with little overlap (see Figure 1). In almost two-thirds of the grades tested, San Francisco's white students had average scores above the 60th percentile and Chinese scores were that high in two-fifths of the grades. The CTBS (California Test of Basic Skills) achievement tests showed African American and Hispanic students, as groups, remained far below District and national norms from first through twelfth grade.

The most recent data show little or no progress. Test scores for 1991 showed a drop from the previous year, particularly in higher grades. Contrary to expectations, schools receiving both federal dollars for high poverty schools (Chapter I) and special Consent Decree programs actually performed worse in reading than schools receiving only Chapter I funds. The same was true in math at the high school level. On average, Consent Decree programs had little apparent effect on achievement, where help was most urgently needed. Only pre-high school math showed gains.

Considering all schools, the African American and Hispanic students in the Consent Decree targeted schools showed better test score growth than those in the non-Consent Decree schools between 1990 and 1991. In a year when the average African American student in San Francisco fell 2.5 percentiles in achievement, the average African American student in a Consent Decree school fell .5 percentiles. Hispanic students made small gains from very low starting points.

Table 2
Reading and Math Score Changes, 1990-1991
in Chapter 1 Schools

	<u>Consent Decree Schools</u>		<u>Other Schools</u>	
	<u>reading</u>	<u>math</u>	<u>reading</u>	<u>math</u>
elementary	2.0	4.4	1.1	1.8
middle	.0	.9	.4	-.1
high school	-2.5	.1	-1.1	.4

total all grades	.3	2.3	.9	.8

Identifying Success. Weak achievement results, the lack of even modest overall improvement for most African Americans and Hispanics across the District after grade school, and the many examples of schools with large budgets and small results, indicate the need for a hard analysis of the way in which the educational reform and desegregation requirements are working. Given the number of approaches that have been tried and the expenditure of some \$200 million in supplemental funds over eight years of the Decree, it is essential to identify patterns of success and to refocus the funds on expanding them.

The Success of Phase 1. One type of educational change under the Decree stands out as having real potential for upgrading minority schools. The most important finding emerging from several studies of the District's achievement data is that the schools operating under the Special Plan for Bayview-Hunter's Point produced real gains.

The plan was drawn up by the previous committee of experts appointed by the Court during the negotiation of the Consent Decree. The subsequent expansions of the Decree to four more sets of schools which were negotiated between the parties without any comprehensive educational plans, produced no significant overall

indicate substantial progress between 1990 and 1991.)

The tools provided in the Special Plan for Bayview-Hunter's Point were extraordinary. In those schools, many of the fundamental constraints on urban school systems were lifted. All of the existing leaders were replaced with committed new principals and very substantial resources were made available to carry out the philosophical tenets of the new plan which strongly emphasized high expectations and positive race relations. The teachers' union contract, which had tended to concentrate the teachers with the least seniority, or substitute teachers, in areas where few teachers preferred to work, was simply suspended for this region and the newly chosen principals were given freedom to recruit nationwide. Within the system, teachers could apply for the new jobs but they had to compete for the positions. For a district with an aging teaching staff and few recent hires, this was an opportunity to hire gifted outsiders. The Consent Decree's affirmative action policy required special efforts to hire a staff more reflective of the diversity of the District's student enrollment. The result was the replacement of many burned-out teachers who wanted to leave those schools with teachers chosen for their commitment to the new plan, and the provision of funds for retraining, support staff, and equipment.

In its reports to the Court, the School District has presented powerful data showing that Phase 1 schools perform better than the other targeted schools. A University of California report authored by James Guthrie reached similar conclusions. Two different analyses carried out by members of this committee confirmed this finding. In other words, four independent analyses confirm the importance of the Bayview-Hunter's Point strategy in the Consent Decree's overall success.

One analysis examined average scores by race on the combined reading, language arts, and math scores on the California Test of Basic Skills for all 106 schools in the District in 1990-91. The analysis compared the average academic performance in the schools involved in each of the five Consent Decree phases.

Table 3
Mean Test Scores* for Consent Decree Schools, by Phase

	African Amer	Hispanic	White	Chinese	Korean**
Phase 1	43.4	46.9	59.9	65.6	69.0
Phase 2	35.0	34.1	48.6	43.6	63.5
Phase 3	36.5	34.0	49.0	47.8	51.4
Phase 4	32.8	37.3	49.0	46.8	68.0
Phase 5***	22.3	20.8	37.7	40.7	NA

* Scores as Normal Curve Equivalents on CTBS.

** There were very small numbers of Koreans.

*** Contains only one school.

African American students scored higher in Phase 1 even though free lunch statistics showed that they were as disadvantaged as African American students in other Phases. San Francisco data showed that, in general, schools with either high concentrations of educationally disadvantaged pupils or high proportions of African American students had low achievement. Among Phase 1 schools there was a better record. The higher achievement in Phase 1 does not appear to reflect more privileged students but the success of the program in weakening the relationships that held elsewhere in the District.

What is Distinctive about Phase 1? Phase 1 shows that it is possible to improve the education of inner-city minority students in schools with very high levels of poverty under a court-supervised plan. Evidence from the other Phases, however, shows that it often does not happen, even when a school receives a great deal of extra money each year. The significant, though limited, progress in Phase 1 provides an important model for replication.

The internal evaluations and reports submitted to the Court by the District consistently show that Phase 1 benefits minority students. In addition to achievement gains, surveys of school staff in 1986 and 1988 showed more positive attitudes among

teachers in Phase 1. High expectations are a key to high achievement. Phase 1 reconstitution provided the opportunity to select principals and teachers on the basis of their common commitment to Consent Decree goals and to remove those who did not share the vision. The plan created new schools in old buildings with large budgets, built around the goals of high achievement, better instruction, positive attitudes and good race relations.

Where this was not done, school leaders could only try to use staff training funds to turn around a school which might be staffed with older teachers working in a negative setting. Given both the difficulty of changing entrenched institutions and this report's findings on the weaknesses of staff development work under the Consent Decree it is not difficult to understand why gains in the dominantly low-income schools occurred primarily where old patterns could be broken decisively by assembling and supporting new teams.

Money is Not Enough. The Consent Decree provided a number of San Francisco Unified School District schools with hundreds of thousands of extra dollars each year to implement programs seen as necessary at the school level without reconstituting the existing staff. If that were possible, then simply giving poor African American and Hispanic schools more dollars per student should have produced major gains. The Consent Decree schools and programs targeted after Phase 1 provide an important test of that proposition. Each school received a large annual increase in budget with wide discretion to use it to improve schooling. A number of these schools also received Chapter I funds for schools of concentrated poverty, bilingual education, and other special programs.

Achievement data shows that money by itself often has very little impact. Some schools spent a million dollars or more in supplemental funds without showing improvements. This does not mean that money cannot make a difference, or that there may not have been other unmeasured gains, but only that more far-reaching changes may be needed to produce academic breakthroughs.

One Consent Decree targeted school, for example, was three-

fourths African American and Hispanic in 1990-91, with 71% of its students receiving free lunches and more than a fourth not fluent in English. The Consent Decree provided the school with an extra \$502,000 for that academic year which paid for nine additional teachers and aides and four extra clerical and support staff in a school whose core budget provided for only 16 professionals and 1.5 clerical staff. In other words, the Consent Decree greatly increased the capacity of the school to provide educational services. At four of its five grades, however, the school's test scores were lower in the 1989-90 school year than they had been two years earlier.

Another school was larger with 650 students, three-fourths African American and Hispanic and 76% poor. Consent Decree funds produced class sizes far below the District average, particularly for kindergarten and fifth grade. The Consent Decree contributed an extra \$451,000 to the school's budget. With the exception of first grade math, however, all of the test scores were still far below national norms. In some grades more than nine-tenths of the students were below national norms. Considering the amount of extra money spent in these schools, effective leadership and dedicated teachers should have made a difference.

Reports on Differences between Phases. State monitoring reports and the report submitted by the State's expert, Prof. James Guthrie, indicate that certain basic features of the Phase 1 approach, particularly reconstitution, were not implemented in the other Phases. This court-ordered report prepared as part of an agreement among the parties, evaluated the middle schools of Phase 2 and concluded that the disappointing results were related to the absence of key components of the initial model:

The Consent Decree reform model contains seven major components. None of these has been fully implemented in the Phase II middle schools.... An important omission ... was what in San Francisco parlance is known as 'reconstitution.' The intent of reconstitution is to create a community of interests among professional educators, parents, and pupils focusing on high expectations for students' performance.

Interviews with the principals of the Phase 2 middle schools showed that none of them had been allowed to freely select staff and the only school that had been reconstituted, James Lick, had faced tremendous upheaval from being moved twice and was only allowed to select its new staff from among the teachers already within the School District who would be willing to come to a very difficult job, teachers available in the District's pool of unplaced staff members. This was fundamentally different from the process of open national recruitment and much more like the situation before the Consent Decree. Procedures for selecting principals did not follow the Phase 1 model. In its August 1989 report the State of California's monitoring team reported that the Phase 3 schools faced many problems, including "site administrators not being able to select staff appropriate to the Consent Decree philosophy" (Report No. 6, 1989: 41-42).

Test and survey data show that schools in Phase 1 are more competitive and better organized than those in the other Phases. In part this is due to the success of some of the school reconstitution efforts in attracting strong students from other parts of the city, particularly at Drew, Burton, and King. An essential task now is to find out how to spread the key components of that model to more schools.

Long-Term Impacts. Most studies of the effects of court-ordered plans merely compare test scores in schools before and after a plan was implemented. These are the only kind of data most school districts can produce, but they do not reflect the tremendous movement of students into and out of schools over time. A magnet school that requires high achievement for admission will show high test scores, for example, even if the educational program has little impact. A well run school in an unstable neighborhood where half the students move during a school year will have few students long enough to raise their test scores. It is not fair to condemn that school for what was not taught elsewhere. It is much

more important to determine how well students who have actually been in the school for some time perform, in comparison with similar students attending other kinds of schools. If a program has benefits, they should be apparent when comparing students who have experienced the program for several years in a row with similar students who have not.

We had the advantage of a unique set of data which follows each student over the years so we could examine what happened to students who were actually educated for years in particular schools and exclude those who just briefly passed through. These data were created by District experts to answer questions posed by this Committee.

These data also allow us to track the complex movements among schools that take place under the Consent Decree's student transfer (OER) policies. Since the basic theory of the Consent Decree is that disadvantaged minority students will gain either by the upgrading and integration of their local school or by transferring to a better school, this information is critical.

The analysis by District experts in response to requests from the panel matched computer tapes over three yearly testing points. Not only did it confirm the findings about Phase 1 schools but it also revealed many other critical facts about the nature of the schools and the impact of various Consent Decree provisions.

The data showed that by the third grade only about half the African American students were in the same school they attended as first graders. Many transferred to other targeted schools, but did not gain. In fact, those in Bayview-Hunter's Point might have been better off staying in their local schools after the Phase 1 reconstitution. The data also pointed, however, to a very beneficial kind of desegregation transfer. There were clear benefits for students who transferred into competitive middle class schools in the District, even when there were no special programs provided for them there.

There were significant gains for the African American students from Bayview-Hunter's Point who attended the schools in Phase 1.

The small number of Bayview-Hunter's Point students who transferred to one of the highest achieving schools in the District did even better though they came from equally poor families.

Phase 1 includes only three relatively small elementary schools. One of these schools, Drew, became an alternative (magnet) school, largely populated by non-poor children from other parts of the District. Its considerable success has led to demands for expansion and has helped to change the negative image of the region and its schools. The other two, Carver and Drake, failed to draw significant enrollments from outside the Bayview-Hunter's Point area, continued to serve overwhelmingly poor populations and represented the only successes in the District in very substantially upgrading schools of concentrated poverty. Each school, however, served only small numbers of low-income African American students who achieved at grade level.

Although Carver and Drake were far more successful with low-income African American students than most San Francisco schools, most of their low-income African American students performed below national norms but they did much better than similar students in many other Consent Decree funded schools. (In some, 100 percent of low-income African Americans were behind by third grade.) Although Carver and Drake showed relatively high levels of achievement and relatively strong holding power, Carver's accomplishment was weakened by a high retention rate in the early elementary grades, a rate far above the District average.

Success and Failure by Third Grade. When the students entering school from 1985 through 1987 were followed for three years it was apparent that the number of African American children directly benefiting from the more effective components of the Consent Decree was small. Of the 825 students beginning first grade in Phase 1 only 117, or one-seventh, were African American students living in the area. They were poor; 70% got subsidized lunches. Only one-fifth of the 117 were still in the same school and achieving at grade level by the third grade. Another fifth left the District, 28% transferred to other schools, and the rest

had fallen behind grade level.

One-fourth had been retained at least one time before reaching the third grade. At Drew, whose early childhood program attracted many students from other parts of the city, the percent retained was 14%. At Drake it was 18%, but at Carver, 41% of the African American students from the neighborhood were not in third grade two years later. A detailed analysis of those entering the school in a single year showed a retention rate of 28% in that class. (Carver also had a high retention rate for non-black students.)

Retention is very strongly related to failure to complete high school. Many school districts have changed retention policies because of powerful evidence that they do not increase achievement but seriously raise dropout levels. A special analysis following students who were retained shows that in San Francisco, as has been shown in research elsewhere, retention is related to a far higher high school dropout rate. In the years examined, 75 to 80 percent of the seriously overage African American high school age students are not enrolled. Few high school students who are overage by grade graduate. When students are two grades behind in high school a very large fraction drop out in any given year. In San Francisco this appears to be true for all major ethnic groups except the Chinese. Although a child may be retained with the best of intentions in grade school, he or she will still be awkwardly overage for his grade in high school and unlikely to graduate. In reversing its retention policy recently, the Minneapolis Public Schools concluded that the apparent early gains from retention faded rapidly in higher grades, but the dropout problem remained.

African American children from Bayview-Hunter's Point who attended schools included in Phases 2-5 of the Consent Decree did worse than those remaining in the region or those transferring to middle class schools. It was possible, under the Consent Decree, to transfer to schools whose performance record was weaker than the Bayview-Hunter's Point schools, and after some of the Bayview-Hunter's Point schools improved, there were many weaker schools in other areas to which children could be transferred. Drafters of

the Consent Decree did not prohibit combining the two most disadvantaged minorities, African Americans and Hispanics, to meet desegregation requirements as had been done in some federal court orders. Bayview-Hunter's Point students who transferred to high poverty minority schools elsewhere fell further behind.

The record was more encouraging for those transferring to one of the District's twelve elementary schools with the highest average achievement levels. Although those students were just as likely to be poor as were the students in the Phase 1 schools or the Phase 2-5 schools -- 70% were poor -- these students were almost two-thirds more likely to be in the same school and to be at grade level in math by third grade. Unfortunately, there were only 54 Bayview-Hunter's Point students in the three years studied who enrolled in the twelve most competitive schools, much less than two students per school per year. This was not because of overt enrollment barriers, since Bayview-Hunter's Point students had priority in transfer choices. It may have been due to lack of information, available space, or discouragement by District staff.

There probably was some self-selection among the families who sent children substantial distances to schools with almost no students from their home neighborhood. All were, however, African American children from the inner city. The African American transferees to the competitive schools from Bayview-Hunter's Point were just as poor as the students remaining in the neighborhood or those transferring to Phase 2-5 schools.

Among all 825 African American students entering the District from the area, only one-eighth were in the same school and achieving at grade level in reading by third grade. Fifty-three percent had already left that school and only a small minority were likely to finish sixth grade in the school where they began.

From the three entering classes studied, the three grade schools in Phase 1 produced only 24 local African American students who made it to the third grade without flunking and were reading at or above national norms, less than three students per school per year. This was much better than the record outside the Consent

Decree. Phase 1 African Americans who made it to third grade without being retained were more than twice as likely to test at grade level than those who had transferred to schools in Phases 2-5.

TABLE 4

READING AND MATH SCORES FOR AFRICAN AMERICAN STUDENTS FROM BAYVIEW-HUNTER'S POINT SPENDING THREE YEARS IN A SCHOOL

	TOTAL	SAME SCHOOL	THIRD GRADE BELOW NORM	THIRD GRADE ABOVE NORM
<u>Reading Scores</u>				
PHASE 1	117	59 (50%)	18 (15%)	24 (21%)
PHASES 2-5	321	137 (43%)	81 (25%)	27 (8%)
TOP TWELVE SCHOOLS	54	37 (69%)	18 (33%)	15 (28%)
District TOTAL	825	386 (47%)	209 (25%)	98 (12%)
<u>Math Scores</u>				
PHASE 1	117	59 (50%)	17 (15%)	25 (21%)
PHASE 3	112	52 (46%)	18 (16%)	22 (20%)
PHASE 4	208	85 (41%)	40 (19%)	27 (13%)
PHASE 5	1	0	0	0
TOP TWELVE SCHOOLS	54	37 (69%)	10 (19%)	22 (41%)
District	825	386 (47%)	165 (20%)	141 (17%)

For low-income black students across the District, the record was grim. Only 40 percent were in the same school by third grade and only one-fifth of that forty percent were at grade level. The record was far worse in Phases 2-5, but significantly better in Phase 1 and in the highest achieving schools. Students were about one-fourth more likely to still be in the same school and about twice as likely to be at grade level.

Table 5

Third Grade Status of 2,164 Low-Income African American Students Entering First Grade, 1985-1987

SCHOOLS	No longer in SFUSD	Trans. new sch.	Same school	<u>Status of 871 in same school</u>		
				<u>retained</u>	<u>above norm</u>	<u>below</u>
TOTAL	30.6%	29.2%	40.2%	151 (17%)	192 (22%)	492 (56%)
Above mean *	30.3	26.6	43.0	18 (17%)	34 (32%)	52 (50%)
Top twelve	31.0	20.0	49.0	10 (20%)	24 (49%)	15 (31%)
Phase 1	25.3	25.3	49.4	15 (35%)	17 (40%)	11 (26%)
Phase 3	31.0	28.8	40.3	18 (12%)	25 (17%)	91 (62%)
Phase 4	29.3	36.2	34.4	25 (22%)	19 (17%)	69 (60%)
Phase 5	42.1	27.	30.3	4 (17%)	0 (0%)	17 (74%)

* Schools listed as "above mean" are those over the mean but not in the top twelve in the District.

The relationship between school and achievement was examined for several other groups. Low-income Chinese, African American, and Hispanic students all appeared to benefit from attending successful schools. Non-poor African American students and English-speaking Hispanic students also seemed to perform better in the District's most selective schools. There was also evidence of benefits from transferring into schools with test scores only modestly above the District mean.

There appeared to be a Phase 1 benefit for other groups of students, though there were few members of the non-black ethnic groups attending Phase 1 schools. The fact that the two portions of the Consent Decree that produce benefits for low- and middle-income African Americans also benefit children from other ethnic groups lends credibility to their educational value. The fact that Hispanics experience very severe educational problems but participate little in the most positive aspects of the Decree cries out for attention.

Hispanic students from the Mission District were slightly poorer (73% free lunch) than African American students from Bayview-Hunter's Point and experienced severe difficulties in school. In terms of reading scores, only 181 of 1,853 students (or 10%) were in the same school by third grade and were reading above the norm for the three classes of students. Another 3.8% were in another San Francisco school and reading above the norm. Among the schools that educated 10 or more Mission District students

successfully, none were in Phases 3-5. Half of the schools with the worst records were targeted schools in Phases 3-5. Three out of four of those schools were also among the District's least successful in terms of achievement levels of low-income African Americans.

Table 6

Third Grade Status of 1,353 Mission District
Hispanic Students Entering First Grade, 1985-1987

SCHOOLS	No longer in SFUSD	Trans. new sch.	Same school	<u>Status of 640 in same school</u>		
				<u>retained</u>	<u>above norm</u>	<u>below</u>
TOTAL	32.4%	20.3%	47.3%	97 (15%)	181 (28%)	347 (54%)
Above mean	30.2	13.2	56.6	8 (13%)	19 (32%)	33 (55%)
Top twelve	26.3	10.5	63.2	11 (31%)	14 (39%)	7 (19%)
Phase 1	21.4	50.0	28.6	0 (0%)	3 (75%)	1 (25%)
Phase 3	28.9	14.4	56.7	15 (14%)	17 (16%)	73 (69%)
Phase 4	37.8	16.3	45.9	14 (12%)	33 (29%)	65 (58%)
Phase 5	30.9	25.5	43.6	3 (13%)	3 (13%)	17 (71%)

The data suggest that two things that can actually improve schooling for low-income African American and Hispanic students are thoroughgoing reconstitution along the model of the Phase 1 schools, and more transfers of low-income African American and Hispanic students to more competitive schools.

Among the very few elementary schools where more than a fifth of the low-income African American students were not retained and were at grade level by grade three, were two of the three Phase 1 elementary schools. Apart from Drake and Carver, none of the schools which produced the best results for African American students had high levels of African American and Hispanic enrollment and of poverty. Often as the percentage of minority or poor students increases, teacher expectations drop and the curriculum becomes less demanding. Of the other schools on the list, none had more than 50% enrollment of African Americans and Hispanics, and only Visitacion Valley Elementary had more than 35% low-income children. Visitacion Valley's poor students apparently included a substantial number of low-income Chinese.

Two of the most competitive schools in the city also performed

well in this respect but no other targeted schools or programs made the list. At three schools, with very small enrollments of low-income blacks, Jefferson, Lillienthal, and Clarendon, the success rates for African Americans were the highest in the city.

Major Programs. In addition to the school-wide improvement efforts made at targeted schools, there were a variety of special programs devised or selected by the central administration to serve Consent Decree goals in a number of schools. In a system where students are highly mobile and African American and Hispanic students experience problems District-wide, it seems reasonable that there should be some District-wide programs.

So far, however, the evidence for the general programs, some of which have only been in effect for one year, is much less powerful than for Phase 1. Two of the programs, Saturday School and the Seventh Period Program, were intended to address learning problems by providing additional time for instruction. Both began in 1990. The District's initial evaluations show little impact to date.

The Saturday School Program provided the opportunity for students needing more help to obtain three hours of additional instruction in smaller classes with aides on Saturday. Students performing below the 40th percentile in language arts were invited to apply. African Americans and Hispanics made up more than half of those eligible but only 30% of the participants. The program was 46% Chinese, although Chinese were only 18% of those eligible. The teachers volunteered for the extra assignment and competed for the positions, which provided considerable freedom in designing approaches. The overall achievement test data showed no significant gain for participants the first year but a survey of parents showed strong support and strong belief that their children were reading more at home.

The Seventh Period classes were offered to students in grades 6-9 during the 1990-91 school year. These were for students at least 10 percent below the national norms in reading. Nearly 3,200 enrolled, 43% of those eligible. Student test scores appeared to

be weakly related to enrollment in the program (actual attendance was not measured). The effects were small (SFUSD, Analysis of CTOS Performance by Students Enrolled in Seventh Period Class).

Another large program operating in a number of schools was ACCESS, aimed at upgrading mathematics and English performances. The program was operated by a team at the University of California at Berkeley. One of the central problems for college-bound African Americans and Hispanics has been the failure to enroll in and complete ninth grade algebra. This is one of the courses that has a very strong impact on selection of and success in other classes and in meeting the University of California's A-F admissions requirements. The enrollment patterns of African American and Hispanic students in schools offering the program do not yet demonstrate increased participation rates. There was, however, real progress in writing that might well be related to that part of the ACCESS program.

We understand that implementation of reforms to change any basic aspect of instruction is a difficult process that requires time. We believe, however, that any major reforms implemented across a number of schools with Consent Decree funds should have specific goals and be systematically evaluated. If they fail to show progress, they should be reorganized or the funds redirected. Perhaps more fundamental changes are needed, as was apparent in the Phase 1 schools.

Conclusions on Academic Achievement

The implications of these data for the achievement of goals embodied in the original Consent Decree are very large. They indicate:

- 1) that the model embodied in the special plan for Bayview-Hunter's Point was a valid one;
- 2) that it was possible to change the image of the region and attract students from across the city to some of the reconstituted schools, especially Drew and Burton;
- 3) that even massive improvements in elementary schools did

Hunter's Point area called for the creation of a high quality academic high school in the middle of the area. That requirement led to the creation of Burton High School, now one of the city's most excellent secondary schools, preparing students for entry into the most demanding colleges. We recommend that the work needed to upgrade Burton's facilities to the level required for a fully functional academic high school be completed. We have determined that the Burton model should be replicated, and recommend that the District:

1. *Create another academically demanding high school, modeled on Burton.* This new academic high school would be located in the city's Hispanic community, on the site of O'Connell High School, if possible. Although this would be a city-wide institution, it should also give special attention to attracting students from the Hispanic community to improve the District's poor record of pre-collegiate preparation for such students. Its curriculum could include an excellent two-way bilingual program.
2. *Implement the plan for upgrading Burton High School* included in the stipulation concerning changes needed to bring the school facilities to contemporary high school standards.
3. *Examine new approaches for middle and high school programs.* The Committee has concluded that new approaches are needed. There is no evidence of significant gains for the middle and high school students intended to benefit from Consent Decree programs. We recommend that the District examine models for increasing the achievement, graduation rate, and college attendance of African American and Hispanic students and propose ways to implement and carefully monitor some of those programs in San Francisco. The California State Department of Education reports impressive evidence of results from the AVID program now used in a number of California districts in increasing college-going by Hispanic and African American students.

IV. ACCOUNTABILITY

The Committee found that a basic problem of the Consent Decree to this point has been the lack of incentives and sanctions for a school's success or failure. A school or program receiving funds from the Decree receives no reward if it achieves its goals and suffers no harm if its program fails completely. Part of the reason for this has been the lack of an effective reporting and evaluation system.

The existing reporting system has been designed to show that steps were taken to comply with each paragraph of the Consent Decree. Many hundreds of pages of material, produced at great cost, document this compliance each year. Detailed expenditure records are essential, of course, for auditing purposes, but the reports have not provided the Court, the parties, or school administrators with much detailed information about the success or failure of components of the Consent Decree. Intended to expand educational opportunities for those who had been excluded, the Decree should be modified to require a sharp focus on the effects of programs on African American and Hispanic students.

The San Francisco Unified School District staff has drafted a plan modifying the current Decree so that it focuses more on educational outcomes of targeted students and schools. Such a system could be integrated with the new statewide assessment system established by Senate Bill 662 of 1991.

The District should review the new State requirements, coordinate them with the Decree requirements, and submit a plan of assessment to the Monitoring Committee described later in this report. The District would, of course, be free to add whatever measures it desired to the State-mandated goals. The new statewide student assessment system will annually assess all students in grades 4, 5, 8, and 10 using performance-based measures related to State-adopted curricula frameworks. Testing will include reading, writing, and mathematics, history-social science, and science.

Performance standards which will be developed as part of the new system will provide precise descriptions at particular grade

levels of what students can do in each tested subject. At the school and sub-population level, school districts will know the percentage of their students attaining a particular performance level and can use this information to formulate goals.

Existing norm-referenced tests reflect a basic skills curriculum orientation from the early 1970s and do not adequately measure "higher order" reasoning and analysis skills needed for college and other advanced work. The District can now create an assessment system that integrates measures of the educational goals of the Consent Decree with the new statewide assessment system and focuses on educational outcomes. Not only will individual student data be available at four grade levels, but the Golden State Examination will provide frequent end-of-course information at the middle and high school levels. The District should submit a plan to show how it will use the data from the new system for more effective monitoring and revisions of the Consent Decree programs.

Recommendations for Increasing Accountability

The Committee recommends instituting an evaluation system tied to objective outcome standards and incentives and sanctions.

1. *Amend Paragraph 40 of the Decree to require development of a reporting system which shows how students in each targeted school and program are doing over time by race, gender, language status, initial achievement levels and other factors the School District believes to be important. The reporting system should be longitudinal, following the same students over time and should concentrate on gains achieved by students receiving special services, comparing them to similar students outside the Consent Decree targeted schools and programs.*
2. *Incorporate the new State measures of achievement into the Consent Decree Plan by 1993-94. The District should actively involve teachers, parents, and the community in setting reasonable and attainable outcome goals for all students and*

schools using, at least in part, the new State data. Setting outcome goals must be preceded by research that documents achievement trends by subpopulations, sets baselines, selects comparison groups, and specifies achievement targets. Data collected should include longitudinal data at the student level. State testing experts would be asked to consult in the development of the most informative measures. The Consent Decree plan should focus on change over time in percentage of students at a particular performance level. This would enable the District to focus efforts on formulating action plans to produce the desired outcomes on specific achievement skills.

3. *Reward successful schools and programs and modify those that fail. Those schools and programs which achieve their goals should be given increasing flexibility in the way they spend their funds, so long as the record of achievement is maintained. As the Consent Decree focuses much more sharply on results, the School District should be freed of obligations to report to the Court on details of implementation (expenditures will, of course, be examined by the State auditor). School staffs should be strongly encouraged to devise ways to shift Consent Decree funds to produce larger gains for the students.*

On the other hand, schools that fall short of the goals must be subject to close review and required to propose modifications in their plans. The District should propose major changes in schools and programs funded by the Consent Decree which show a consistent lack of progress or continuing deterioration on the outcomes measured. Actions might include additional or different staff development, new educational programs, or changes in administrators or staff.

Schools which do not achieve significant progress in a three-year period should be reconstituted as provided under Phase I. The District should initiate reconstitution of several each year, beginning with those which have achieved no

gains after receiving Consent Decree funds. Reconstitution could begin earlier, if judged necessary by the District's educational leaders.

V. TARGETING SCHOOLS

Given the profound educational problems of San Francisco's African American and Hispanic students and the changing structure of California's economy, Consent Decree funds are a vital resource for pupils entering adulthood at the margins of our society. It is vitally important that limited resources be trained on those schools and programs which most effectively reach minority students threatened with educational failure and economic marginality. Consequently, it is essential to select carefully among the city's 106 schools and to concentrate resources on those with the greatest needs.

At present, however, the Decree does not adequately target many of those most in need. In 1991 the Decree targeted 23 schools serving 13,200 students, of whom 6,800 were African American or Hispanic. 7,800 low-achieving African American or Hispanic students (a significant majority of the total) attended schools that were not targeted. The expansion in Phases 2-5 left out a number of the schools with the largest numbers of African American and Hispanic students in academic trouble and included some schools with fewer needs. After the initial Consent Decree creating the Phase 1 program of school reform, the number of schools receiving Consent Decree aid continued to expand and none had the kind of comprehensive educational plans produced in Phase 1.

We recommend that some additional schools be targeted and that those which have received funds for a number of years with no demonstrable gains should be subjected to reconstitution or loss of funding. In order to better target these students, schools serving African American and Hispanic students should be ranked by educational need so that those at greatest risk have priority in reform efforts that flow from the Consent Decree. The current list of targeted schools is the result of a series of agreements between

the parties since the 1983 Consent Decree; it does not reflect an overall set of priorities or educational goals. The criteria used for targeting Decree funds should include low test scores, social and economic distress, and concentration of children from the ethnic groups experiencing the greatest educational problems in the District.

Recommendations for Targeting of Schools

1. *Adopt District plan for identifying schools to be targeted.* At the request of the Committee, District staff have proposed a plan for targeting schools according to priority. Dr. Paul Lawrence of the Committee has also drawn on his years of experience in monitoring the District to devise an independent set of ratings of school needs. Since both approaches identified the same schools as most in need of Consent Decree resources, we recommend the adoption of the District's proposal as a reliable basis for identifying those schools to be served. District staff have employed include the proportion of students from AFDC and public housing families, percent of African American and Hispanic students, low test scores, ghetto and barrio neighborhoods, suspensions and poor image of the school as shown by requests to transfer out compared to requests to transfer in. The District employed 17 indicators in its overall assessment and ranked the priority of school needs through a rating technique that collapsed these indicators into five dimensions permitting comparisons of the schools. We find this to be a workable tool for targeting.
2. *Require District to submit a plan to determine the number of schools to be targeted.* Review of the programs of nine years convinces us that it would be a mistake to merely add more schools to receive smaller shares of a fixed Consent Decree budget. We believe that concentrated resources are needed in a limited number of schools, at least at the outset of the

reform process, and that the number of schools served should not be expanded as new schools are targeted. This may require the removal of some schools with relatively low ratings of need or the partial phase-out of supplemental funding for programs which are established successes and can be built into normal school operations. The current targeted schools include some that neither rank high on the index of need nor have achieved measurable progress under the Consent Decree. We recommend that the District be required to submit a plan, based on objective criteria, indicating how many schools should be targeted. Some schools not targeted now might be added later.

3. *Define five-year objectives for targeted schools.* Targeted schools should have five-year objectives with interim benchmarks to measure their progress. The objectives should focus on achievement scores; dropout rates; graduation rates; equity in gifted, honors, and special education courses; discipline; school climate, and other agreed goals. In addition, measurable objectives should be included in the contracts of the principals, and these contracts would not be renewed unless the school shows substantial progress.
4. *Each targeted school and program should devise a plan for each school year prior to May 15 of the preceding school year to be reviewed by the Consent Decree review team prior to the August deadline for establishing the final District budget.* Each school plan should show how Consent Decree funds are to be used in coordination with other major grants to the school. The District should coordinate the functions of its integration and other divisions to assure maximum utilization of available funds.

Reconstitution

The committee recommends that targeted schools outside of

Phase 1 be reconstituted unless they identify and implement other strategies that produce substantial progress. Targeted schools with low achievement levels not yet reconstituted would operate special programs to improve achievement, reduce dropouts, and accomplish other specific educational objectives. Reconstitution efforts beginning in the 1992-93 school year should include the following strategies:

1. *The plan will call for annually reconstituting at least three schools until the task is completed.* Reconstitution would include everything that was done for Phase 1 schools. This would include the basic elements of the Special Plan for Bayview-Hunters Point, the philosophical tenets, and the identification of strong academic themes or approaches for each school or program. Since new faculty and staff members would be selected outside the normal recruitment policies, each should be required to make a five year commitment to the school.
2. *Design reconstituted schools to provide comprehensive services.* In reconstituted schools there should be a comprehensive plan to use all sources of funding, including Chapter 1, bilingual education, Headstart, early childhood, special education, and other funds in ways that meet the goals of the school's plan. If the school serves as the delivery site for other social services, the plan should specify cooperative agreements to further the plan's objectives. So long as progress is made toward those goals, the principal of each school would have broad discretion in areas including the use of staff development resources, new staffing patterns, special programs, computers and technical equipment.

VI. STAFF DEVELOPMENT

Change in a big city school system requires that people who have been doing things in one way for a very long time adopt new

visions. This is a difficult but vital process and its importance was recognized in the Consent Decree. The Decree required a "comprehensive staff development plan." The plan was to cover essential areas including: "student discipline procedures and goals; academic achievement and performance goals; [and] teaching in a diverse racial/ethnic environment...." We are concerned both about the effectiveness of programs and about some funds that have been used for some miscellaneous programs not related to central Consent Decree objectives.

The Consent Decree provided for ongoing training and a 1986 stipulation recognized the urgency of the need by raising the maximum provision for training from \$800,000 to \$3,000,000. The District's actual expenditures since then, however, have ranged from \$395,000 to \$879,000, far below the upper limit. To make matters worse, some of those limited expenditures were for non-staff development purposes. Records of spending show use of the funds for unrelated purposes including:

- 1) printing of booklets about the District: \$37,000
- 2) purchase of balloons: \$873
- 3) bottled water: \$840
- 4) hiring of security guards

While funds for school staff training were often unavailable, other central office staff development dollars went unused. On June 5, 1992, for example, only \$150,000 of the \$471,000 set aside for the 1991-92 school year had been spent.

San Francisco must provide stronger instruction for a rapidly changing student body but must rely primarily on an aging, largely white, teaching force whose formal education ended many years ago and who serve children in an overwhelmingly nonwhite system. Nothing is more important to achieving the vision of the Consent Decree than assuring that effective programs of professional development are available for the city's teachers and administrators. The Decree and subsequent changes provided a budget that was absolute minimal for the purpose, if it were used effectively.

There were good initial plans. In 1983, the District's Division of Staff Development, Curriculum, and Program Evaluation prepared a detailed plan for improving the skills of administrators, teachers, and instructional aides. This plan, which relied heavily on Consent Decree funds, addressed "areas identified as essential for staff in school districts undergoing desegregation." The plan outlined a delivery system for reaching the District's entire staff. Staff members who met the criteria were to participate in training throughout the school year. The most time-consuming, intensive training was intended for the staffs working in those schools targeted by the Consent Decree.

The budget provided for employing teachers for more days and hours to make time available for serious training and proposed spreading new techniques by using successful teachers to train others. Funds were also provided to prepare demonstration video tapes, to hire substitutes to cover classes in order to allow some teachers to become involved in the planning of staff development, for outside consultants, and for the purchase or printing of special training materials and reports.

Only in Phase I was staff development built clearly around the philosophical tenets of the Consent Decree and implemented in very close connection with specific goals of the Decree. Elsewhere, the efforts were often unfocused or even unrelated to any Consent Decree goal.

The Consent Decree was designed to guarantee that staff development related to integration would receive appropriate fiscal support within the SFUSD, and that the program would be maintained over a multiple-year period to insure ongoing training. The District's cutbacks have spread the Consent Decree funds thinly, providing little training on such key goals as equity in discipline, upgrading minority academic achievement, and teaching in a racially and ethnically diverse school.

Over the years, despite growing state funding for Consent Decree training, the SFUSD's own budget for staff development fell. As Consent Decree dollars became a steadily rising share of total

staff development funds for the District, there was a temptation to use the money to cover other needs for which there were no resources. The deemphasis severely limited the ability of the District to carry out the Consent Decree mandates dealing with such concerns as student discipline and behavior, academic achievement and performance, teaching in a diverse racial/ethnic environment, and parental involvement and support. Principals leading Consent Decree targeted schools have told monitors that they were told to use the Consent Decree training funds to employ existing District staff development experts, whether or not they could provide the help most needed at that school.

Recommendations for Staff Development

In order to remedy the staff development deficiencies, the committee recommends that the District develop and implement a series of staff development activities specifically tailored to desegregated schools and addressing the issue of assuring educational quality throughout the District. All staff development activities funded from the Decree should be related to increasing academic achievement, facilitating high expectations for student success, and developing positive attitudes toward racial and ethnic diversity. In addition to targeted schools, schools receiving significant numbers of bused-in African American or Hispanic pupils (30 or more) should be eligible for staff development programs specifically designed for teachers serving those students.

A renewed staff development component developed in consultation with the California Department of Education should result in a program which seriously addresses staff development needs in these areas:

- a. Better academic achievement for African American and Hispanic students;
- b. Multicultural sensitivity and race relations training;
- c. High expectations for African American and Hispanic student performance;
- d. Equitable treatment in special education assignment and

in school discipline.

Strategies for achieving these goals should include the following:

1. *Create a staff development plan.* The District should create an explicit staff development plan that identifies the areas of teacher competence in schools undergoing desegregation processes in accordance with the Consent Decree mandate and the California Education Code. Such a plan should emphasize both achievement and equity by:
 - a. Exploring tested instructional strategies for teaching diverse student populations, such as the "Success for All" model;
 - b. Providing suitable learning environments;
 - c. Monitoring student progress;
 - d. Adhering to curricular objectives.Equity issues should be addressed in areas such as: conflict resolution; discipline; methods of encouraging placement in gifted and advanced classes; sensitive treatment of bilingual and special education questions; appropriate school environments; and inclusion in extracurricular activities.
2. *The principal, as the responsible official in each school, should have the authority to match his or her responsibility.* In addition, the principal should be held accountable for the appropriate staff development for the school. Principals should have authority to employ experts not working for the District but they should be held accountable for demonstrating that the sessions contributed to Consent Decree priorities.
3. *Tap external resources.* The District staff development plan should use services of local Subject Matter Projects as well as Bay Area colleges and universities.

4. Provide special training for first-year teachers at targeted schools. First-year teachers in targeted schools should receive reduced teaching loads and the services of mentor teachers. The first year must also include on-site sharing and training sessions in order to systematically address the realities of in-house experience in teaching African American and Hispanic students and their particular learning problems. In addition, new teachers assigned to targeted schools should remain assigned to the same school for not less than five years, both in order to provide staff continuity and limit the costs of this first-year staff development.

VII. SPECIAL EDUCATION

The elimination of discriminatory placement of minority students in special education was one of the goals of the Consent Decree. Special education is a very large program in the San Francisco District and placement can have dramatic effects on a student's future. If a student is misclassified in a special education program that covers very limited material each year, transfer to mainstream courses becomes more difficult.

There are 4 distinct types of special education within the SFUSD:

- a) Resource Specialist Programs (RSP) serving 41% of special education students:
In these programs, students receive a portion of their instruction each day with special teachers and assistance while "mainstreaming" in a regular classroom the rest of the time.
- b) Special Day Classes (SDC) [38% of students]:
In these classes, students spend more than half their time in special classes with special teachers but within a regular District school.
- c) Non-Public Schools (NPS) [6%]:
These schools serve students with severe challenges requiring special learning environments at "sites apart

from regular school sites."

- d) Designated Instruction and Services (DIS) [15%]:

These services are for students with physical challenges requiring special services such as vision services, physical and occupational therapy, etc.

The Designated Instruction and Services (DIS) and Non-Public School (NPS) categories do not concern us at this time because of the strict criteria for admission and the lack of placement stigma. However, there has been a national pattern of mistaken placement of African American and Spanish Surnamed students into Resource Specialist Programs (RSP) and Special Day Classes (SDC) and special care must be taken to assure that students are not misplaced into these programs within the District. Once students are placed it is vital to assess whether they receive the attention and development necessary to permit them to progress and return to mainstream classes or develop to their fullest potential within special education if that is the only workable alternative.

The 1990-91 SFUSD Annual Report shows the numerical and percent distributions of students from each ethnic group by service types. Table 7 shows that Chinese, Filipino, Korean, Japanese, and Other Non-White groups are under-represented in the RSP and SDC special education groupings. The Committee found that African American youth participation is double that which would be expected from examination of total District enrollment percentages and concluded that the District must take steps to correct this disproportion.

Table 7

ETHNIC REPRESENTATION IN RSP AND SDC SPECIAL ED PROGRAMS
SFUSD: 1990-91

Dist %	Group	RSP + SDC	
		%	%
.6	Am Indian	48	.9
18.9	Black	2033	39.7
23.7	Chinese	411	8.0
8.1	Filipino	218	4.3
1.0	Japanese	18	.4
1.0	Korean	12	.2
12.7	Other Non-W	443	8.6
14.3	White	841	16.4
19.7	Hispanic	1099	21.5
100.0	TOTALS	5123	100.0

Special education placements are intended to provide education that works better for participants than regular classroom instruction. It is vital, in assessing the programs, to determine whether students within the Special Education Resource Specialist Programs (RSP) and Special Day Class Programs (SDC) are having their academic needs met and progressing to the highest level. If there were evidence of major problems for a particular ethnic group, it would raise concerns under the Consent Decree.

For nine ethnic groups and three testing levels (Elementary, Middle, and High School), high school students are always further behind their age group than elementary students, except for the tiny Korean enrollment. A more direct measure, Table 8 (page S-22) of Volume IV of the 1990-91 SFUSD Annual Report gives the averages for levels of "gain" in CTBS scores over the course of the program year, by ethnic group and grade level that groups of students in the special education program attain. Black students appear to fall further behind in high school. Participation in special education programs generally means being with a group of students who fall further and further behind, so misplacement is a very severe problem. It is very important to carefully oversee these very important decisions about children's lives to prevent any

ossible discrimination.

Recommendations for Special Education

- . Focus some Consent Decree staff development resources on programs to sensitize all teachers to the issues of overrepresentation of African American and Hispanic students in special education and equip them to ensure that all students are fairly and accurately placed;
- . Ensure that clear standards exist and are implemented for referral, evaluation, and entry into any special education program, based on objective criteria of multiple types, and that placement decisions are made by a multidisciplinary team including the parent;
- . Use outside resources to strengthen remediation of learning programs prior to referral to special education;
- . Develop more alternative strategies for using special education staff to strengthen service to students with learning disabilities inside regular classrooms;
- . Review the appropriateness of placements and the progress of students at least once a year and provide a team review every three years;
- . Develop a District-wide plan which includes special education programs at both regular and alternative schools and provides a heterogeneous mix of students and equitable geographical distribution of services in the least restrictive environment. The percentage of special education students in any one school should not exceed the percentage of special education students in the District by more than 15 percentage points. This should be consistent with the desegregation guidelines for each school;

7. Require every school whose percentage of African American or Hispanic students assigned to special education exceeds by more than 15 percentage points the percentage of African American or Hispanic students in the system or in the school's non-special education population to file an annual report with the Superintendent detailing precisely what actions are being taken to determine the inappropriate placement of students assigned to special education. Each such school shall provide a program with the goal of reducing the percentage of African American and Hispanic students assigned to special education;
8. Hold school administrators, principals, and special education multidisciplinary teams accountable for ensuring that African American or Hispanic students are not inappropriately assigned to special education.
9. Testing teams should be racially integrated, including African American or Hispanic assessors.

VIII. BILINGUAL EDUCATION

The provisions of the Consent Decree designed to integrate students of different ethnic and racial backgrounds at schools and within classrooms sometimes seem to conflict with the District's policies for grouping students of limited English proficiency (LEP) for specialized programs of instruction.

The San Francisco Unified School District enrolls approximately 17,100 LEP pupils. Significant concentrations of these students are found at every grade level, preschool to grade 12. Speakers of Spanish (5,996) and Cantonese (5,639) dominate the language minority population. The District offers a variety of instructional programs designed to meet educational requirements for LEP students.

Classroom composition requirements were explicit under the old State law. Under normal conditions, bilingual classrooms were to consist of two-thirds LEP students and one-third non-LEP students.

San Francisco and many other districts continue to follow this pattern. Non-LEP students come from among students who are native English speakers or are fluent in English. Under optimal conditions, teachers carefully organize instruction to meet the individual needs of both LEP and fluent English students.

Reports by the Independent Monitor indicate that non-LEP students can find themselves either in a situation where they participate in learning the second language and culture or simply sit in classes offering special services to LEP students. Some African American students were assigned to bilingual classrooms in San Francisco but were not provided appropriate English language instruction. SFUSD data show, however, that African American students in bilingual classrooms do as well as those in other settings, but the policy is viewed with justifiable skepticism by many African American spokespersons.

Meeting the needs of the linguistically diverse San Francisco enrollment is no easy task, especially in the context of simultaneously educating both LEP and non-LEP students in the same classrooms and schools. One set of problems will be eliminated by requiring that all regular schools provide regular English language classrooms at all grade levels to prevent involuntary assignment of any student to a class in a non-English language.

Recommendations for Bilingual Education

The heart of the quandary in San Francisco appears to be the failure in some cases to reconcile the legal requirement to adequately serve LEP students with the desegregation requirement of the Consent Decree. It was not our assignment to evaluate the efficacy of the bilingual program, but the data we saw on the educational progress of Hispanic LEP students suggests the need for real improvements within those programs. Based on the available data and on conversations with representatives of the SFUSD, the Committee recommends:

1. Make access to bilingual education or other appropriate

instruction the priority in placing LEP students. Providing access to bilingual education and other forms of appropriate instruction for language minority populations should be the primary consideration in the placement of LEP students in particular schools and classrooms. We believe this priority can be met without changing the desegregation requirements of the Decree, with appropriate planning.

2. *Minimize LEP students' time in language-segregated classrooms.* Instructional strategies for LEP students may require that they be grouped together by primary language. However, such segregation should be for the shortest time necessary to prepare LEP students for participation in integrated classrooms. Parental preferences cannot be allowed to override Consent Decree obligations.
3. *Make participation in bilingual education programs voluntary.* Participation of any student, LEP or non-LEP, in a bilingual program should be voluntary. When it is impossible to honor parent preferences because of classroom shortages, students must be offered an appropriate instructional approach in the classroom where they are placed, and there should be special in-service training for affected teachers. Monitoring should also be done to assure that instruction meets the needs of all students enrolled.
4. *Provide more opportunity for non-LEP students to enroll in two-way bilingual classes.* The challenges of authentically integrating language minority with English-speaking pupils of diverse ethnic backgrounds can be overcome in part by offering more students the opportunity to enroll in two-way bilingual classes. Such programs not only promise to adequately serve LEP students but offer English-speaking pupils the chance to (a) acquire a second language, (b) gain functional cross-cultural skills, (c) improve academic performance, and (d)

develop pro-social perspectives. These programs transform compensatory bilingual settings into enrichment or gifted environments with long waiting lists.

IX. DISCIPLINE AND STUDENT SUSPENSIONS

The Consent Decree recognized the historical disparities in discipline and suspensions and called for District efforts to end them. Student suspension rates by race for the year 1990-91, however, still show an extremely disparate pattern. Suspension affects a tenth of Black students, one Hispanic in twenty-five, and only 1% to 2% of other groups.

African Americans, less than 20% of the student population, account for almost half of all school suspensions. Their suspension rate of 10.4% is two and one half times higher than the District-wide rate. The only other group that even approaches this level is Hispanic. The seven remaining ethnic groups have a suspension rate of only 2.0%. The Committee found that such a disparity in suspension rates is highly significant statistically and concluded that the District must take steps to correct it.

Concern with this pattern is even more appropriate when suspension rate disparities are examined by school level, i.e., when proportional representation rates by race are examined for students in elementary and middle schools as distinct from high schools. Looking again at the 1990-91 data with respect to three major ethnic groupings produces the following:

Table 8

SUSPENSION RATES FOR SFUSD by Level by Race: 1990-91

Level	% African American of Total	% Hispanic of Total	% White of Total
Elementary	61.2	9.7	13.0
Middle	53.9	18.6	10.1
High	32.3	25.9	7.6
% of District enrollment	18.9	19.7	14.3

The table shows that at the elementary school level, 61% of students suspended are African American. At the middle school level, this proportion is 54%. At the high school level, it is 32%.

The District does not collect school-level suspension data cross-tabulated by race and reason for suspension. Total District data showing the reason for suspension by race shows several significant patterns. While African American students received 50% of all suspensions in the District in 1990-91 (or 1,246 of 2,510), they received 56% of all suspensions for fighting (913 of 1,640). Almost two-thirds of all suspensions were for fighting. In the San Francisco Public Schools, 75% of all African Americans who were suspended were suspended for fighting.

Table 9

Proportion of Suspensions for Fighting, by Race, 1990-1991

	fighting	other	total
Afr. Am.	913 (76%) (56%)	333 (24%) (38%)	1246 (50%)
Other	727 (58%) (44%)	537 (42%) (62%)	1264 (50%)
Total	1640 (65%)	870 (35%)	2510

These disparities are significant in themselves, but given that African Americans are only 19% of the student population, these data show as well that African Americans are 5.3 times more likely to be suspended for fighting than other students.

When suspension rates of African Americans and Hispanics are significantly different from those of other groups in the schools, especially in a District where inequitable treatment has been documented earlier, the District must investigate seriously whether discriminatory standards are being applied, and develop a plan to resolve the disproportionate suspensions. "Fighting" and infractions with discretionary definitions such as "anti-social

behavior" and "disruptive behavior" should be monitored carefully.

Recommendations for Suspensions

Consent Decree programs aim to reduce the need for discipline and to insure that required discipline is implemented fairly for all groups. In order to ensure that discipline is equitably enforced for all groups of students, the Committee recommends that the District:

1. *Improve data on suspensions.* The school system currently maintains one database of suspensions cross-tabulated by race by school and another one by reason by school; these should be merged into a single database that permits examination by school by race by reason (and even gender), to permit comparisons of patterns of treatment by school.
2. *Expand its Opportunity Program and Targeted Student Academic Assistance Programs,* which have helped to reduce suspension rates, to more Consent Decree targeted schools.
3. *Examine strategies to cut a school's suspensions if suspensions exceed the proportion of students from that ethnic group in the enrollment by more than 5%.* A district-wide resource person should be available to help schools.
4. *Provide training for both staff and parents to facilitate cooperative and fair enforcement of school rules.*
5. *Develop strategies to provide greater parental involvement in school affairs to reinforce appropriate student behavior.*
6. *Emphasize use of methods to resolve conflict within schools by non-violent means.*

X. FACULTY, ADMINISTRATORS, AND OTHER STAFF INTEGRATION

Paragraph 34 of the Consent Decree requires the SFUSD to "implement a staffing policy" to try to "achieve a staff at each school site and district location that will reflect the student population of the district." Paragraph 35 requires the SFUSD to "assure that faculty and other staff will be equitably assigned throughout the district within the meaning of applicable legal standards."

Table 10 indicates that since 1984, SFUSD has made only minimal progress in faculty integration and has fallen far short of the goals set forth in Paragraph 34 of the Decree. In 1982-83, 66% of the certificated staff was white; in 1990-91 that percentage was 62.4%. The greatest increase from 1982 to 1991 was from 5.9% Hispanics to 7.3%. The proportion of white staff remains about four times the proportion of white students and the modest gains among minority staff are primarily among Hispanics and Chinese.

Table 10

	1984		1991	
<u>Certificated</u>	<u>Staff</u>	<u>Student</u>	<u>Staff</u>	<u>Student</u>
African American	11.1	(21.8)	11.4	(18.7)
Hispanic	6.8	(17.3)	8.0	(19.6)
Chinese	9.6	(20.9)	11.2	(24.3)
Japanese	1.8	(1.1)	2.1	(1.0)
American Indian	.7	(.6)	.6	(.6)
Korean	.2	(1.1)	.1	(1.1)
Filipino	2.7	(8.6)	3.3	(8.1)
Other White	65.3	(16.1)	60.6	(14.3)
Other Non-White	1.8	(11.9)	2.3	(12.1)
<u>Classified</u>				
African American	28.8	(21.8)	21.5	(18.7)
Hispanic	15.0	(17.3)	15.5	(19.6)
Chinese	11.5	(20.9)	17.1	(24.3)
Japanese	1.2	(1.1)	.8	(1.6)
American Indian	.5	(.6)	.4	(.6)
Korean	.1	(1.1)	.1	(1.1)
Filipino	6.5	(8.6)	8.2	(8.1)
Other White	33.4	(16.6)	33.1	(14.3)
Other Non-White	3.0	(11.9)	2.7	(12.3)

Although the District has not achieved the staffing goal, the proportion of minority professionals probably exceeds that of the relevant labor market. The limited number of minorities in the relevant labor market, though it may itself reflect earlier patterns of discrimination in both hiring and teacher training, obviously makes it difficult for the District to achieve the Consent Decree goals established in Paragraph 34.

The District has also fallen short of its obligations under Paragraph 35 to ensure that faculty and staff are "equitably assigned." According to "applicable legal standards," the racial and ethnic characteristics of faculty and staff should be reflective of the racial and ethnic characteristics of the District's work force (Singleton v. Jackson Municipal Separate School District, 419 F.2d 1211 (5th Cir. 1970) 1217-18). Most courts have required that the racial and ethnic characteristics of individual schools be within 5 or 10 percentage points of the racial characteristics of the district as a whole (e.g., Singleton, supra; Zaglawasky v. Board of Education of Los Angeles City, (610 F.2d 661 9th Cir. 1979)). Using a 10% standard, most of SFUSD's schools have one or more racial or ethnic groups of faculty or staff that are not reflective of the work force. (The Singleton standard was, of course, developed for school districts with only two major racial or ethnic populations). In San Francisco a 10% standard would require representation in each school of each group of teachers who accounted for more than 10% of the teaching force: Anglos, Hispanics, Chinese, and African Americans.

Staffing Recommendations

No changes are required in the Consent Decree. The District, however, must redouble its efforts to recruit and hire minority faculty and staff and to assign them equitably. Specifically, the Committee recommends the following:

1. *Develop an annual affirmative recruiting plan.* The District should develop such a plan, which would indicate, among other

things, where and how the District will recruit new teachers, how recruiting resources will be allocated, and what other efforts the District will take to increase minority faculty and staff in the District.

2. *Develop a plan to ensure staff integration of individual schools within three years.* Integration would be considered achieved when the racial and ethnic characteristics of all school staffs within the system are within plus or minus 10 percentage points of the racial and ethnic characteristics of the District's teaching force as a whole for the four major ethnic groups. The goals of this plan should be accomplished, if possible, through hiring and voluntary reassignment of teachers. Exceptions would be permitted only when certified as essential for the operation of bilingual education programs. Mandatory reassignments should be made only if the goals of the plan cannot be accomplished through other means.
3. *Expand the existing program which encourages paraprofessionals to train as teachers.* In recent years, the number of minority paraprofessionals, particularly Chinese, Hispanics, and Filipinos, has increased. We believe that the program to encourage these paraprofessionals to become professional teachers is an excellent idea. Those receiving credentials as a result of this special effort, however, should be obligated to teach in the SFUSD for at least three years if offered a position.
4. *Require that those receiving special opportunities because of the Consent Decree be required to make some minimum commitment to the school or program that hired them.* In what appears to be one of its most successful strategies, the Consent Decree provided for the hiring of teachers outside of normal procedures for Phase 1 targeted schools. Limited versions of this authority have been extended to a few other schools.

Such hiring, and the hiring of support personnel entirely funded by Consent Decree dollars, creates important new career opportunities for those receiving the jobs outside of normal procedures. These new opportunities are particularly important during a time when fiscal constraints make it impossible for the District to hire many teachers. It was precisely to draw extraordinary people into needed work that the special funds and procedures were created. Once those staff members come into the School District's personnel system, however, they obtain the right to transfer to other schools and some soon leave their special assignments. The Committee recommends requiring some minimum service commitment of these persons before they are able to transfer elsewhere within the system.

There is a precedent for this in the treatment of the other group of teachers who receive special consideration in the District's personnel process -- bilingual teachers, who are required to make a three-year commitment. In order to provide reasonable continuity and to avoid the use of the Consent Decree as a back door to special treatment in the personnel system, we recommend that a three-year to five-year commitment at a school or program be required of Consent Decree staff.

The Consent Decree and the Union Contract

This Committee respects the rights of teachers to union representation and contractual bargaining. We believe that the goals of the Consent Decree can be accomplished within the contract in the great majority of cases and encourage bargaining to solve the remaining problems if possible. Neither the District nor the union possesses the right to bargain away constitutional rights of the District's students or constitutional obligations of the District.

This is a Consent Decree approved by United States District Court to protect rights guaranteed under the U.S. Constitution, and

it takes precedence over collective bargaining agreements, as the U.S. Court of Appeals for the Eighth Circuit held in Little Rock School District v. Pulaski, 839 F.2d 1296, 1314-15 (8th Cir. 1988).

XI. MONITORING

Assuring enforcement of the Decree while minimizing judicial intervention requires an effective monitoring process. Paragraph 44 of the Consent Decree requires that "The District shall contract with the State Department of Education to make an independent review of implementation of this Consent Decree at the close of each school year and to submit a report to the Court no later than August 1 for the preceding school year. The parties...shall meet...to determine whether any additional monitoring techniques should be proposed to the Court."

The Initial Settlement Team in 1982 recognized the need for external independent monitoring of compliance with the Consent Decree. This issue was a very serious one and the Team decided that the California Department of Education would contract with an Independent Reviewer, as part of its responsibility under the Decree. However, this has been interpreted as providing State control of the monitor who has been required to report to the line staff in the California Department of Education. The parties often failed to act to resolve the problems reported by the monitor.

The District has not been adequately organized to identify deficiencies in Consent Decree functions and bring them to the attention of the Superintendent and the Board. The plaintiffs have also attempted to informally monitor the activities of the School District under the Decree, and while they have identified deficiencies from time to time, their monitoring has been limited.

We conclude that the monitoring component of the Decree needs strengthening. We considered three options: (1) strengthening Paragraph 45 by adding new language to make it clear that the activities of the consultant are to be independent, (2) abolishing the existing process of review and creating an entirely new and independent monitoring committee, and (3) requiring the District to

strengthen its internal monitoring capability. We chose the second alternative.

While it is important that the District have its own internal monitoring functions, the Committee does not believe that the Consent Decree has reached the stage at which the Court can rely exclusively on the District's own monitoring. Accurate and reliable monitoring requires an entirely independent monitor not accountable to any of the parties. Independent monitoring must not preempt or exclude monitoring by all parties to the Decree or intervene excessively in District operations; indeed, the Committee believes that effective monitoring by all parties is critical to full Consent Decree compliance.

Recommendations for Monitoring

We recommend a new approach that involves a combination of independent, external monitoring and strengthened monitoring by all parties. Given the fact that the Court called upon a Committee of Experts to draft the original Decree and created a new Committee to recommend modifications in the Decree, we recommend maintaining a Monitoring Committee whose sole responsibility will be to monitor compliance with the Decree. In our view, this is the most effective way to ensure independent monitoring. We recommend that the Court select the members of the Monitoring Committee from nominees suggested by the parties, as was the case with both previous committees. Specifically, we recommend that each party submit a name for consideration by the Court. The Court would appoint a fourth member to chair the Committee. The Committee should meet several times per year and should serve for the lifetime of the Decree to ensure that its goals are realized. The Committee should be fully independent from any of the parties and should be accountable to the Court.

The Committee should have the power to obtain from the parties any data it believes it needs to fulfill its responsibilities. It should contract with an independent consultant to undertake ongoing monitoring tasks under its direction. We recommend that the

requirement in Paragraph 44 of the Decree that the District contract with the State for an independent review of the District's activities be modified. In the future, the contractor should be selected by and report to the Monitoring Committee which will set the conditions of employment. Reimbursement will be as specified by Paragraph 43.

Unless the Court asks the Committee to undertake additional tasks, we would hope that the meetings could be reduced in future years as the District approaches full compliance with the Decree.

These recommendations for independent monitoring are not intended to preempt the monitoring activities of the parties. To the contrary, the Committee believes that full compliance with the Consent Decree requires active and energetic monitoring by all of the parties. We urge the State to continue its monitoring function through the audit process, and we hope the plaintiffs will work even harder to identify concerns and bring them to the attention of the parties and the Court.

We urge the District to consolidate its internal monitoring functions and to target them more specifically on Consent Decree activities. Strong and energetic internal District monitoring which identifies problems and concerns for the Superintendent and the Board to solve is, in the long run, the best and most efficient approach to full and complete Consent Decree compliance.

The duties of the Monitoring Committee should include:

- a. Reviewing data and other pertinent information from all parties;
- b. Making recommendations to the District regarding compliance policies and performance;
- c. Making recommendations to the Court regarding the District's compliance and performance and regarding changes in the order after attempts to negotiate compliance with the District and/or parties;
- d. Providing quarterly reports to the parties and the Court on the compliance and effectiveness of the Decree;
- e. Reviewing and commenting on the District's Consent Decree budget;

- f. Receiving and making recommendations on the consultant's report;
- g. Performing other tasks as may be asked by the parties or the Court

XII. STATE FUNDING

The costs of compliance with, and monitoring of, this Consent Decree constitute costs mandated by a final court order for which the SFUSD is entitled to reimbursement under the California Education Code according to Paragraphs 45, 46, and 47. The Decree says that the State Department of Education shall assist the District in its claims before other State agencies. This assistance has been vital and as State funds are reduced these provisions will be even more essential to continued funding. They should remain as written.

One of the problems in monitoring the District program, and a source of the serious disagreements among the parties about the legitimacy of proposed Consent Decree expenditures has been the late preparation of the Consent Decree budget and the lack of time and procedure to work out misunderstandings. Each year millions of dollars spent for Consent Decree purposes end up in dispute between the School District and the State auditors.

The 80% State/20% local distribution of costs to desegregate schools has complicated the District's financial dilemma, making it very important that the District not spend dollars on Consent Decree programs that will eventually be rejected by State auditors. There have been many disputes surrounding the expenditure of funds. The Annual Report to the Court by the State Monitors, Report No. 8, 1990-91, states that a "review of the proposed budget raises concerns" and lists examples such as "1) the District's starting of new programs without specific planning and coordination with the other parties and without consideration of the appropriate funding sources; 2) financing programs with Consent Decree funds when State and Federal legislation have provided... other funds for the same purposes."

The District has disagreed with some of these assertions but has lost State reimbursement for a number of programs. We propose that the District submit its budget early to the Court's Monitoring Committee, reducing conflict with the State by obtaining advice about the compatibility of planned expenditures with the Decree and, thus, allow better fiscal planning. The goal is to ensure budgeting of Consent Decree funds for only those items which unquestionably address the goals of the Decree and, therefore, be reimbursed by the State. If the experts representing the parties, including the State, recognized the appropriateness of an expenditure under the Decree, there would be very little likelihood of a challenge from the State auditors according to the auditor's office.

The San Francisco Unified School District has been placed in severe financial difficulties by the recession's effects on local and State revenues. The State budget projections for the coming school year suggest a \$25 million gap. This could trigger widespread layoffs and drastic cuts in many programs (Memorandum from Superintendent Cortines to the Board of Education, March 6, 1992). State revenue projections have fallen further and more cutbacks are likely. This crisis makes it all the more important in the future that a mechanism exist to avoid denial of State reimbursement for Consent Decree expenditures.

State Funding Recommendations

The Committee believes that it is very important to tie Consent Decree dollars strictly to basic Consent Decree goals and to minimize the likelihood of State rejection of District claims for reimbursement. To do this, we recommend adding the following paragraph to the Decree:

"The District should develop its Consent Decree budgets (preliminary, final, and changes) and submit them to the Monitoring Unit for review and appropriateness. The District should further submit its Consent Decree Year End Budget to the Monitoring Unit for review prior to its submission to the

State for reimbursement. The State Auditors would then be given a copy of the Monitoring Unit's review for consideration for reimbursement."

Since Consent Decree funding has been highly predictable and federal grant funds for related programs are budgeted in advance, the District has an opportunity to plan a long-term budget for Consent Decree purposes. Very few of the complex changes called for in the Decree can be accomplished in a single year. We recommend the development of a multi-year Consent Decree plan and budget to assure the needed continuity and follow-through.

XII. HOUSING POLICY AND SCHOOL SEGREGATION

The Consent Decree called for an examination of the impact of subsidized housing on the school segregation of San Francisco. The need to send students away from their neighborhoods to other schools reflected the segregation of neighborhoods in the city. San Francisco is among the less segregated metropolitan areas for blacks according to the 1990 Census (Harrison and Weinberg 1992: 19). On the dissimilarity index, in which 100 represents total racial separation and 0 represents random distribution of population by race, the segregation level for San Francisco blacks was 64; for Hispanics it was 50; for Asians it was 50. (Ibid, Table 1). In spite of continued racial inequities in mortgage financing and other features of the housing market, there is sufficient residential integration so that if the subsidized housing programs were used to increase integration rather than residential segregation, housing policy could have a major positive impact on the problem.

Analysis of School District data showed that thousands of San Francisco students live in subsidized housing and that African American students constitute a substantial majority. Such housing, which forces poor families to live in particular school assignment areas, contributes substantial numbers of students to some of the least successful schools in the city.

Almost 3,200 San Francisco students live in Housing Authority

housing units. Two-thirds of these students are African Americans. Two out of three elementary students from public housing attend just one-tenth of the District's elementary schools and there are four schools that have more than 25% public housing students, including two in Bayview Hunter's Point.

Although poor children tend to do worse than others in the San Francisco schools, the effect of poverty is intensified for those who live in public housing. Among fifth grade African American males, for example, those on free lunch score 17 points below average for all boys in the city (measured by normal curve equivalents) but those living in public housing score 25 points below average. Gaps are substantial for African American public housing residents at the higher grade levels as well. If public housing residence intensifies already severe inequalities, it is reasonable to explore the possibility that alternative housing policies might bring educational benefits.

Recommendations

There has been no coordination of housing and school desegregation policy in the city. Since the racial barriers are declining in some parts of the housing markets, an appropriate policy for subsidized housing could well help in the development of more naturally integrated neighborhoods in which no busing would be needed. We recommend that the District and the plaintiffs work with the appropriate regional housing and planning agencies and civil rights agencies and organizations to develop policies to help increase housing opportunity and integration across the Bay Area. They should prepare a report and recommendations to be submitted to the Court and the Monitoring Committee within one year.

SUMMARY

This committee has struggled to understand and come to agreement on the accomplishments and limits of Consent Decree implementation and on what could be done to make the process more efficient and beneficial. We have found real evidence of progress and proposed methods to offer greater opportunities to the children

most in need in San Francisco's public schools. We believe that the long term interests of the educational leaders and the plaintiffs are the same--offering full educational opportunity to all students. This report is only a set of recommendations. We urge the decision makers to avoid a long legal battle, keep a strong focus on the needs of African American and Hispanic youths, and move rapidly toward a more effective plan.



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TO: Waldemar Rojas
Superintendent, San Francisco Unified School District

FROM: Joseph P. Viteritti
Executive Director, Center for Management

SUBJECT: Transition

DATE: June 5, 1992

Below are my preliminary observations and recommendations on the school district that were formed in the course of the transition study. As you know I have met with approximately fifteen of the top administrators in the school system in addition to a number of national and local (San Francisco) experts. I have also reviewed internal reports covering the activities of each major unit within the district, and have read a variety of scholarly publications on the city and its schools. This work was done in conjunction with Professor Robert Bailey of Columbia University, who will submit a separate report. Based on previous conversations he and I have had, I think that you will find most of our observations in agreement.

GENERAL

1. The first thing you need to do is establish system-wide goals that will guide the activities of all personnel, both at the central administration and school levels. Presently there does not seem to be any clear direction. While there has been some attempt to set

goals at the school level, the "system" is not reinforced within the hierarchy. Units reporting to the Consultant to Superintendent for General Services do not seem to understand that their only reason for being is to serve schools, that they are not in business for themselves. If you follow your own instincts, and past practice, you can set a tone that puts kids first. The system and the city will welcome the message. There is a lot going on now, but it lacks direction.

2. There is no district-wide system of management information to evaluate performance or hold people accountable. Although the Department of Planning, Research and Information Systems has the makings for such a system and some competent staff, its information base has not been integrated. Of course if one has not identified goals, objectives, and direction then there is no context for evaluating performance. If we do not know where we want to go, then we can never know if or when we have arrived.

3. The system of goals, objectives, performance standards, and indices for evaluation should be fully integrated and mutually reinforcing both horizontally and vertically within the district. Everyone must feel that they are working toward the same end, with the tone and direction set at the top. Unit heads should be evaluated according to agreed upon criteria on a regular (monthly or quarterly) basis. Unit heads, including principals, should be encouraged to set their own goals and objective so long as they are consistent with those set district-wide. Professionals reporting to these unit heads (including teachers) should participate in setting goals.

4. I would recommend your having three deputies. A Deputy for Instruction would implement your instructional agenda. He/she would oversee Elementary, Middle and High Schools, Special Education, and Bilingual. A deputy for Student Services would implement the delivery of non-instructional and support services to schools and children. He/she would oversee Pupil Personal Services, Curriculum, Professional Development Facilities, Transportation, and Food Services. A deputy for management would oversee the business functions, ie. budget, personnel, and business. However his/her primary responsibility would be to develop the Department of Planning, Research, and Information Systems so that it is capable of designing, implementing, and overseeing the system referred to above in sections 1,2 & 3.

5. The district needs a public information officer. I was absolutely amazed to find that it does not have one. How else can the Superintendent get the message out that the education of kids is the real bottom line. How can the people of San Francisco really be informed about what is going on. Such a position is not a frill. It can really assure your accountability to the public. This person might be asked to perform a number of related functions as a special assistant to the Superintendent.

6. You need to hire an in-house counsel to provide you with legal advise on a regular basis and to coordinate the work of outside attorneys when specialized assistance is needed. The present system, which is totally dependent on private counsel is too costly and lacks direction. It is like having the tail wag the dog, whereby the lawyers set the priorities for the Superintendent rather than the other way around.

7. There is currently no system-wide program of leadership training for managers, administrators or principals beyond the explanation of rules and procedures. I strongly recommend that you go to the outside (universities, consulting firms, foundations) for assistance on this. Be sure that all training is oriented to the implementation of your predefined district goals. If the training does not advance your goals for the district, it is not worth doing. It should be systems oriented. Abstract, off the shelf, generic training is not what you need.

8. It is my distinct impression that the administrative infrastructure has been cut to the bone. While originally conceived as a commendable managerial instinct, to absorb cuts away from schools, the district may have gone too far in reducing the capacity of the central bureaucracy. I never thought I would ever find myself making such a statement (you know it is out of character). Nevertheless, if you want the central administration serve as the vehicle through which you implement your agenda then you will need more help. The current organization is a symptom and a symbol of a system that lacks a cohesive plan and direction.

9. The district needs a human resource plan to deal with a wave of retirements and special personnel needs. It should incorporate a nation-wide effort of recruitment and hiring. This can be linked to a program of staff development and training referred to in section 7.

10. The consent decree is a solution in search of a problem. It overstates the problem of segregation, imposes a burden of artificial integration on children when adults refuse to address the housing patterns that produce segregation, and forces many minority parents to accept remedies they do not want. Many blacks do not actually benefit from programs instituted as a result of the consent decree. Many minorities, especially Chinese are actually committed to the neighborhood school concept. The decree has, however brought resources into the district that would not otherwise be available. You must develop a mechanism for channeling these resources into an instructional agenda that serves the needs of all children. The agenda must be yours.

11. Keep a vigilant eye on the racial tensions that are brewing between the blacks and Chinese. Although San Francisco does not exhibit the raw racial tensions of a Boston, Los Angeles or even New York it, simmers beneath the surface and in some ways is more threatening because the problem is more difficult to detect. As you know it is no less ugly or potentially destructive.

12. The school restructuring project is a tool through which the union is attempting to achieve more power for teachers. Like many things in the district, it does not have a unified purpose or direction that is tied to an instructional agenda . It must be re-worked to engender a more balanced approach to shared decision making at the school level that involves parents, teachers, and administrators.

13. Presently City Hall sets personnel policy and salaries for classified positions in the district. This is untenable. You can not run the district when discretion on the finances, working conditions and contracts of these personnel lies elsewhere.

14. Develop a cooperative relationship with the Mayor. Meet with him regularly. Let him become a stakeholder in the future of the district. He is a potentially strong ally with a genuine interest in education.

15. The outgoing Superintendent has an excellent relationship with the business community. Take advantage of it before he is off the scene. Let him introduce you to the key players. Their support is important to you. They need to learn your agenda.

16. Work closely with the school board. Keep them informed of your plans. Let them know that your only interest is in the kids. It will take time for them to actually believe this, but time will tell them better than you can other than by your actions. Perhaps if you let them participate on the big policy issues they will resist the temptation that inflicts all boards to micro-manage. They have a direct stake in your success. They must learn to let you run the day to day activities of the district and not undermine you. They should not be dealing directly with line administrators other than you or a designee.

SPECIFIC

A. Funded Programs. I would review the current plan to reduce staff in this unit from

14 to 8 professionals. If this group is at all effective in generating funds, then it should more than pay for itself. If it is not effective, then reducing staff is not the answer.

B. Facilities. There is a serious need of a plan for school closings in underutilized buildings and for the profitable disposition of vacant properties. Funds from the latter could be channeled into a more effective maintenance program, with the cooperation of City Hall. Presently there is not even a painting cycle for the schools.

C. Integration. This department is a source of great resentment among other units because of its unparalleled power and funding. Its resources must be channeled into constructive programs. I got the impression from Gary Orfield that he welcomes the opportunity to work with you toward some common goals.

D. Radio Station. Get rid of the radio station. It is expensive and is only peripherally a part of the school agenda.

E. High Schools. You need to hire both director and assistant director.

F. General Services. The performance of these units is very poor and out of touch with the needs of schools. Food Services serves a product that is of low nutritional value. It lacks a professional nutritionist, and is very dependent on Department of Agriculture surplus which is cheap and very high in starch. The transportation system gets mixed reviews regarding its responsiveness and on time service. There are particular problems

with the bussing of special education children.

G. Budget. The budget is used as an accounting document not as an instrument for policy making. You should explore the possibility of a city contribution, at least in clearly defined programmatic areas. You might also consider adopting a multi-year budget cycle, especially in the capital area.

H. Pupil Personnel Services. This important area of social responsibility lacks resources and direction. There is a paucity of counseling and support services available for children outside of special education. Here is also found a significant opportunity for innovation. I would strongly recommend the adoption of a school based model for the integrated delivery of social services incorporating the relevant health and support services presently provided by the municipal and county governments. This will require the cooperation of City Hall, and the Mayor's help should be sought. The result could be a demonstration model that would be a credit to the city and the school district.

I. Special Education. Here the problems are legion. First you must restructure so that those professionals who evaluate students for placement do not report to the principals who make the referrals. This is a conflict of interest that compromises the welfare of the child. Evaluators should be more independent. There is a disproportionate number of black children in special education classes which, contrary to my general observation about utility of the consent decree in section 10, may represent one genuine manifestation of segregation in the district. This situation is exacerbated by an unusually high incidence

of self-contained classes(50 %). The lack of support services in "regular education" referred to in section H underscores the absence of an effective preventive program for children who might ordinarily avoid the stigma of a special education label. There is a severe need for more alternative programs in regular education. The student study teams should be replaced with the school-based model described in section H.

J. Vocational Education. The Vocational Education program should be replaced by a career program that is more consistent with the current labor market. The help of the business community should be sought in shaping and administering this program.

K. Bilingual. I was surprised to find that there are only four languages taught in the bilingual program, when there are more than fifty language groups found in San Francisco. This can only mean that a significant part of the bilingual population is not properly served. There are also instances where black students are inappropriately placed in bilingual classes in order to maintain class sizes.

L. Personnel. The personnel plan referred to above in section 9 should focus on the recruitment of black, Spanish surnamed, and Chinese employees in order to address the affirmative action needs of the district. It should also strive to eliminate teacher shortages in special education, foreign languages, math and science. There is a need for an employee relations officer to process grievances and disciplinary actions.

M. Elementary Schools. There is no supervisory structure in this

department because of the lack of supervisory personnel. Unfortunately the director has had to set up his own system of reporting and accountability.

N. Middle Schools. This unit should be removed from the ^{High}~~Elementary~~ School Department and given its own director. It should be given the resources to develop alternative schools for students who have difficulty adjusting to regular programs. Presently no alternative schools exist at the middle level.

O. Children's Center. The Children's Center has broad responsibility for running pre-school and after-school programs. These functions should be separated. After-school programs should be operated by the same respective units that run day programs. Elementary school teachers who have been placed in the pre-school program to avoid layoffs should be replaced by pre-school teachers who have the proper training and experience for dealing with the client population. The Head Start program in San Francisco is presently operated by the Community Action Programs. This important pre-school program and its valuable resources belongs in the school system with other pre-school programs. The issue should be addressed with the mayor.

P. Professional Development. The Professional Development unit has no staff or resources. There is no reason to keep it in its present form.

Q. Instructional Improvement. The curriculum unit does not focus on writing new materials but on adapting state curricula to the needs of San Francisco. It enjoys little

credibility in the field. It has a modest training program. This unit is a key factor in the implementation of your instructional agenda. Perhaps there is an opportunity to direct some consent decree funds to the enhancement of training programs here.

CONCLUSION

In the final analysis what I see here is a district crying out for leadership and direction. It has all the manifestations of neglect, no systems development, a bare bones administrative structure, confusion about direction. San Francisco does not suffer from the raw racial animosity I saw in Boston or the overbearing size and bureaucracy that we experienced in New York. However at times I found myself wondering in my conversations with people, inside and outside the district, if they have given up on public education in California and accept a voucher system as inevitable. There are certainly signs of this feeling when one examines the budget and the gradual erosion of the district's administrative structure. I also found the mass exodus of senior personnel rather discouraging. That is why it is important for you to get your message out loud and clear that you intend to move the system ahead. I have never seen an organization in such dire need of a public relations campaign. However you will also need help. So make the case for more staff at your disposal. Recruit top notch talent as you did in New York. Let people understand that the profile and role of the Superintendent's office is about to change.

/ws

c Robert Bailey

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Columbia University in the City of New York | New York, N.Y. 10027

SCHOOL OF INTERNATIONAL AND PUBLIC AFFAIRS

400 West 118th Street

Graduate Program in Public Policy
and Administration

MEMORANDUM

TO: Mr. Bill Rojas, Superintendent Designate
San Francisco Unified School District

FROM: *lr* Bob Bailey, Assistant Professor, Political Science and Public Affairs
School of International and Public Affairs

RE: VOCATIONAL EDUCATION IN THE SAN FRANCISCO SCHOOLS

DATE: June 25, 1992

The San Francisco economy has been widely described as the quintessential post-industrial service-sector economy¹. The change from an industrial based economy to a service/administrative-center economy has many economic implications. The change most frequently cited is the dramatic increase in the price of commercial and residential space and the associated social issues that derive from this change². Per parcel, land in San Francisco is among the highest of any center City in America -- rivaling Manhattan below 96th Street, Beacon Hill, Boston, Upper Lake Shore Drive/Gold Coast in Chicago and Western Los Angeles City (and County).

The implications of this price shift are numerous. Factories are now often seen as land assets rather than as profit producing manufacturing assets. The relative costs and expenditures of manufacturing particular commodity are now seen less in terms of competing products than in terms of alternative capital investments. Thus, one coffee factory in South San Francisco which

¹ John Mollenkopf, The Contested City (Princeton, NJ: Princeton University Press, 1983); Fainstein and Fainstein, Restructuring the City (New York: Logmans, 1983).

² Chester Hartman, The Transformation of San Francisco (Towtowa, NJ: Romand and Allenheld, 1984), C. Hartman, Yerbo Buena: Land Grant and Community Reaction in San Francisco; John Mollenkopf, The Western Addition, (Ph.D. dissertation, Stanford University); D. Muzzio and R. Bailey "Economic Development, Housing, and Zoning: A Tale of Two Cities," Journal of Urban Affairs, Winter, 1986; Manual Castells, The City and the Grassroots, (Berkeley, CA: University of California Press, 1983).

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is held by a large nation-wide food products corporation and located on the bay, continues in operation solely to reduce the costs of security and to pay the taxes on the property until the value of the land allows for its sale or development use.

Similarly, the change in the central functions of San Francisco's economy also has had a profound effect on the structure of the labor market. The life style a blue color salary tied into the older manufacturing base can no longer be sustained as the economy changes. It is not just a matter of opportunities for younger workers but also the appropriate position for mid-career industrial workers. The skills associated with a service economy, with San Francisco being the financial and insurance center of the western United States and as one of the three urban links to East Asia have all had their effect on the role traditional and newer workers must play.

Changes in the Structure of the San Francisco Labor Force

Most of the longer term trends in employment in the San Francisco PMA (Primary Metropolitan Area: San Francisco c/c and San Mateo and Marin Counties) since the Christian administration have been consistent at the macro level. They have continued from the 1960s through the 1980s and into the early 1990s. The manufacture of nondurable goods declined slightly between 1981 and 1991³. Employment within public utilities (largely PG&E) declined while transportation employment went up (probably as a result of expansion at the two airports and increased investment in public transportation by the BART authority.)

Wholesale trade dropped precipitously (14.0%) in the 1981 - 1991 period while retail trade increased by almost the exact same (14.4%), reflecting the change of San Francisco from a shipping and exchange center to a City oriented toward household consumption. The rapid growth in finance and insurance since the 1960s peaked in 1986 with a slight but continuous downturn through the remainder of the 1980s (not unlike New York City).

The aggregate category that showed the greatest growth in the 1980s was "All Services." It had the most dramatic change in the 1980s with a 30% increase in employment over the decade in the three counties. Predictably, "all manufacturing" declined by about 12% throughout the

³ All figures are from the Bureau of Labor Statistics, U.S. Department of Labor Statistics, LABSTAT Series, made available by the B.L.S. San Francisco Office.

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1980s. Durable goods and heavy manufacturing took the hardest hit within the manufacturing sector with total job loss in the three counties over the 1981 - 1991 period of 21.75%. Government employment fell in the early 1980s with a slight increase in the late 1980s leaving this sector with a minor overall growth over the entire decade (again, not unlike New York City). As in New York, Boston, Washington and some other major American cities that have gone through the process of urban transformation with various degrees of success, San Francisco's basic economy is moving away -- in an accelerated fashion -- from its tradition of being the only "East Coast City on the West Coast" to the model of a post-industrial service sector economy.

On the micro-level, the areas of actual job growth in the City of San Francisco have been in "boutique" light-manufacturing (up-scale apparel and accessories, specialty foods and beverages), building "re-cycling" (residential rehabilitation, office reconstruction, etc.), telecommunications installation and maintenance, hotel and hospitality services, medical support and hospice and home health care⁴. To the degree that traditional trade skills are needed in the San Francisco Bay area they would be in construction and technical maintenance of business machines -- now including computers, facsimile devices, mobile/cellular communications, fiber-optics, IC switching etc.). "Industrial" now must be seen as the maintenance of products built overseas, or factory floor skills needed in the final stages of industrial assemblage. Required business skills are no longer limited to "bookkeeping" in the traditional sense but PC applications using spreadsheet software and simple statistical techniques associated with TQM (Total Quality Management) SPM (statistical process management) and Just-in-time inventory control. Even the town camera store either has or will have computer based billing, inventory control, sales receipts and accounting management and taxation in the near future.

Implications for Vocational Education in San Francisco

Vocational education on the secondary level -- if it is in keeping with economic trends -- must now be seen as a support service for real property management, retail businesses, generic business services, specialized business services, finance, communications, hotel and hospitality, environmental manufacturing and services, and some traditional skills such as telecommunications installation and maintenance, HVAC installation and repair, and aerospace maintenance and assemblage. This is not simply so that SFUSD will serve the business

⁴ Comments from the Federal Reserve Bank of San Francisco, Analytical Unit.

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community, regional growth policy and expand the political base for the schools into the business community, but also tends to maximize the options available to pupils. Each of these new trades require as background sufficient basic mathematics and communications skills. One advantage of these changes is that the traditional tracking associated with vocational vs. academic training are coming closer together: traditional academic skills are the modern vocational skills, and modern vocational education is built on a strong foundation of academic skills. Much of the older debate between vocational education and academic training is mooted by the emerging economy. And as such instructional issues tend to converge, we can hope that racial and class divisions that are often re-affirmed through vocational education will subside.

Broad Policy Suggestions: There are several keystone policies issues that will crystalize the sense that vocational education is changing along with the economy. They include:

The Re-Building of O'Connell: I have said this before but it needs to be repeated. The funds made available for O'Connell from FEMA and the State of California earthquake school upgrade and reconstruction funds release you from resource constraints in the area of vocational education. Use them to build the vocational/technical education school of the 21st Century. San Francisco's key location and fundamental economic structure will make any change in vocational education in that City a focus of nation-wide attention. San Francisco is perfectly situated for this kind of endeavor.

To accomplish this you should create a curricular and facilities advisory committee that will:

- * a) review all the economic data from the past several years and see where the real opportunities for employment and entrepreneurial efforts are located;
- * b) assess the new relationship between academic and traditional vocational skills;
- * c) devise guidelines for a vocational education curriculum (and remember -- facilities planning should proceed from the voc. ed. curriculum); and,

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* d) establish the role of business in mentoring, summer jobs and future "partnership" type programs.

This Advisory Board should consist of voices from the corporate sector, the unions, employers, and Bay Area community colleges. Possible representatives include: Pacific Telesis; Turner Construction; UC Davies Medical Center; San Francisco City College, Folgers Coffee (Proctor and Gamble); UAW LETC; Management of the Moscone Center; the Office of the Deputy Mayor for Economic Development; someone from the arts community; Kaiser-Pergamenti, Bank of America, the Port airport operating authority, etc.

Expand the Idea of the new High School of Environmental Science: Given the lack of any equivalent to New York's Bronx High School of Science, or Brooklyn Tech, and also the strength of high tech manufacturing in the Bay area's economy, it may well serve the school system's purpose as well as the regional economy to alter the initial plans for a High School of the Environment and expand the curriculum to include natural and computer science, and a pre-engineering curricula. Not only would this fit better into the particulars of the region's economy but also would help to expand the political base for the new school within the school and non-school communities. My enthusiasm for the idea is tempered, however, by my expectation that a strong science program in the atmosphere of a competitive school will lead to racial tracking - something that the system does not need any more of. If a solution can be found to this potential problem I would pursue the whole notion with vigor. It could be a success story that the new administration could take some credit.

A Total Reassessment of Vocational Education: There should be a total reassessment of vocational education throughout the system -- especially in the schools not typically identified as being vocational education schools -- in order to maximize what you have now and adapt vocational education policies to all settings. The O'Connell Advisory board may serve this function; although from both instructional and political reasons I suspect that a separate, instructional focused committee would be better. You might contact the National Center for Research on Vocational Education at Berkeley as a starting point here.

Expand the Role of the SFUSD in the Area of Adult Vocational Education: As the economy keeps changing and job functions change with it there is an increased need for vocational retraining of workers already in the field who may or are being displaced. California is probably the most progressive State in the country in terms of funds available for adult training

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(although this likely will change as a result of State budget problems.) ETP and JTPA funds can be merged into job training programs. The Private Industry Council, SF City College, San Jose Community College, and several specific factory based programs are already in place. What the role of SFUSD will be in this regard in the future is an open question that leads at least to some preliminary exploration.

Some Specific Policy Initiatives: Some specific programs that would fit into the SF regional economy today:

- * Telecommunications: The San Francisco region has traditionally been the telecommunications center of the West Coast (not to be confused with the entertainment industry but hard communications initially by cable, latter by micro-wave and now by satellite. Maintenance programs in this regard may pay for themselves in the long term.

- * Mobile/Cellular-Phone/Stereo Installation: There is a highly successful program in East L.A., sponsored by LA Unified and the ETP program funds from Sacramento. The program trains young men and women in the installation of mobile/cellular phones and stereo equipment in cars, vans and trucks. (The market is generating needs in this area faster than they can be met.) The East L.A. program contracts with firms (such as Silo and other consumer electronics equipment retailers, to place graduates from the program. They must achieve a high school diploma or a GED equivalent to get the job. Needless to say, the dropout rates are low and the success rates are high.

- * Introductory Business Services: SFUSD already has a school of business and business support services program center at the high school level and some other programs district wide. The high school does not (at least by reputation) appear to be as successful as it could. Attention to these programs -- particularly as they relate to small business (new upstart companies and up-scale retail and "boutique" manufacturing) may expand the job market for those graduate from the program. Other specialty business programs might be small scale retail management; hotel/hospitality/convention management-support services and arts support services. These are growing aspects of the economy of SF and should provide some job opportunities for graduates. The demand for Hotel/hospitality has been so strong that the UAW's LETC (Labor Employment Training Corporation) has moved in to fill the gap.

- * *Medical and Home Support:* The entire Bay Area is a leading center for medical services, bio-medical research and the manufacture of medical equipment. In addition, the

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increase emphasis on home care for seniors, ALS, AIDS and terminal cancer patients has opened a new career path of the home based, part-time home care technician who has some very specialized (if all too brief) training in crisis management. In addition California is relatively progressive when it come to "helpers" for the physically or emotionally challenged.

In all of these, the SFUSD could make some contribution to the training and job placement os its students in such a way that the system is also meting needs the economy of modern health administration are generating.

RWB/tl/June 25, 1992/part 2 of transition memo.

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SCHOOL OF INTERNATIONAL AND PUBLIC AFFAIRS

420 West 116th Street

Graduate Program in Public Policy
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MEMORANDUM

TO: Bill Rojas, Superintendent Designate
San Francisco Unified School District

FROM: Bob Bailey, Assistant Professor, Political Science and Public Affairs
School of International and Public Affairs

RE: SOME FINANCIAL ISSUES OF THE SAN FRANCISCO SCHOOLS

DATE: June 30, 1992

This memo is in anticipation of you formally becoming San Francisco Schools Superintendent after a transitional period that ends on August 1. It is broken in four major sections: 1) General Comments; 2) Budget and Budget Process; and, 3) Issues of Debt, Debt Structure and Asset Management. It also follows from a more general memo dated June 24, 1992.

General Comments:

General comments are often based on snap-shots and can be misleading -- particularly if the commentator is 3,200 miles away. Still there are some overall impressions left having to do with the characteristics of the budget and finances of the SFUSD and the political processes attached. Much of what I have to say you probably have already concluded on your own.

Centralization of School Budgeting and Finance in Sacramento: The effects of Proposition 13 have been dramatic, possibly even more dramatic than its initiators intended. The cap on locally raised revenue has clearly placed a severe burden on local governments and school districts in California and has led to a centralization of budgetary powers throughout the State. Primary responsibility for financing schools in California now rests with Sacramento. And while this is legally true in most other States in the union -- either by State Constitution or through

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statutory law -- only in the States of the south is it also true that State government, due to an inability of localities to raise their own revenues, has such an important direct role in school finance. The difference between California and the old south, however, is that a poor economic climate led to State intervention in financing schools. In California, voters chose this route. In nearly all States, the role of state government has been to 1) redress school finance inequities that arise due to anomalies in the fiscal capacities of localities (particularly in the case law of school finance reform: the Cahill I and II in NJ, Levittown in New York, San Antonio in Texas, all of Kentucky, etc.) or 2) to target specific State priorities and fund them with State appropriations (special education programs before PL 94-142 being one example; state funding of school health clinics another). With the increased role of the States in the day-to-day financing of the schools, it goes without saying that State priorities and State regulations come into play. These are largely determined by the political coalitions that dominate State government, not those which -- with justification or without -- feel that they have traditionally had little voice in school policies and finance.

City Hall at the Periphery: The effects of Proposition 13 also spill over onto City Hall as it pertains to education in San Francisco. To the degree that City Hall has any spare (or slack) resources that it might dedicate to education, it is clear that they intend to use them on high profile (politically identifiable) programs. These programs probably have constituencies that go outside the school community and may have little to do with the first priority of the schools: day-to-day instructional services. Thus the restoration of summer sports and school time arts programs is understandable as initiatives from City Hall. Both are high profile; both are outside the primary mandate of the school district; both have constituencies outside the school; and neither represents a sustained commitment over several years or decades. The superintendent and the Board will have to fight for them again some day.

An Imbalance of Policy Influence in Favor of Those Having Some Free Resources: The combined effects of Proposition 13 and the economic situation in California go to the heart of budgeting and financial decision processes within the district; down to the way decisions are made in critical arenas of policy. There are now new influences over budget making and policy that can be identified with outside funding sources as they are the only channel of supplementary funding for school based programs. This has had a disproportionate effect on policy making

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throughout the district as SFUSD discretionary funds are stretched and new funds come with strings attached.

Examples of this theme-dominated our discussions on resources, allocation processes and finance:

Infrastructure Planning Driven by Earthquake Relief: In the face of very limited construction and maintenance funds, the State's earthquake upgrading and reconstruction funds -- as well as FEMA funding -- become the driving force in school infrastructure planning. On both the funding side and on the regulation side and State regulations -- will both provide and absorbed infrastructure development and maintenance funding for the foreseeable future. The goal of any superintendent in this situation would be to find whatever discretion there is available within the law and apply funding for new capital programs determined by local priorities.

Food Services Driven by the USDA Surplus Program: In Food Services also, the drive towards efficiency may well have been to the detriment of services -- if by service we mean nutritious, low fat, low salt foods that are consumed by the children. As a cost saving device, the SFUSD has become dependent on the US Department of Agriculture Surplus Foods program. Typically this would mean flour, soy meal, corn meal, cheese and some other dairy products or processed dairy products. There was no evidence of whole fruits or salad bars available. Needless to say, excessive reliance on the USDA surplus foods program allows the availability of food stuffs to drive the diet; and in the absence of a nutritionist and cooperation on using these foodstuffs in the manufacture of products for school food services the program may ultimately do more harm than good.

Instructional Innovation Driven by The Consent Decree: Also in the instructional area. The Consent Decree with the NAACP provides one of the few areas of additional discretionary funds for instruction. There is some area of maneuvering within the individual schools. Nevertheless, the discretion and funding available is only within certain schools or within certain programs; not district-wide nor across all grade levels. In many ways these funds -- although discretionary by the decree -- are committed through negotiations, other aspects of the Consent Decree or litigant stipulations that make it politically unfeasible to change policy. Moreover, as Viteritti has noted, may of the Consent Decree funded programs have never undergone formal evaluations. SFUSD really does not know what works and what does not -- just what is popular.

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Counseling for Transients Driven by McKinney Act: Even in the area of counseling we can see that outside programs drive the priorities of the SFUSD. The McKinney Act, which appropriates funds for homeless individuals and families, makes available certain funds that are being used for homeless and runaway youth in the SFUSD cooperative intake centers. At the Larkin Street Center, for example, SFUSD supplies two teachers and some support /administrative funds as well as supplies. The center provides counseling, medical examinations and referrals for shelter. Ironically, runaway children have access to far better counseling services than does the typical student in a SFUSD school. Fully trained MSWs with sensitivity to family issues, drop-out prevention, HIV infection routes, make referrals to other services in the City supplied by SFUSD, City College, the various religious and non-sectarian voluntary programs, CBO job training and 12-Step programs and free clinics. The case load of the typical counselor in a SFUSD is about 1,100. The expected training levels are not as high as are the social workers in runaway and homeless outreach programs.

The point in all this is that the effects of Proposition 13, the increased reliance on the State for school funding and the politicisation of school funding beyond the simple ADA entitlement have led to an ongoing constriction of managerial flexibility among school-system managers. The availability of funds outside traditional funding streams is influencing management and policy. This may well be a wise strategy today given the recession and the current mood of the voters in California. On the other hand, it should not be sustained in the long term as it may skew priorities and place the traditional functions of public schools on a low priority.

Recommendation: Reassert Local Discretion in Budget-Making: Needless to say, this is a recommendation easier to make as an advisor than as a policy maker. But it is obvious that the ability of SFUSD to relate its policies priorities to its budget authorities is being chipped away year by year. Initiatives take money; and if the State commits money before the Superintendent and the Board have a chance to discuss their priorities the entire budget making process becomes post-hoc.

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Recommendation: Seek Funds from City Hall and Corporations, but with Caution: Free monies are not free. City Hall has been inadequate in its funding for the schools. The entire relationship between City Hall and SFUSD in the post-Prop 13 world should be explored by a professional who is familiar with school finance and urban finance. In the interim SFUSD should accept funds, but with caution.

City Hall: In terms of City Hall, SFUSD should push for and accept any funds for any programs that do not run directly counter to the system's legal and traditional mandates and the priorities of the Board and Superintendent. On the other hand minor sustained commitments are probably better than major uncertain ones.

The Corporate Sector: The same can be said of corporate giving. The public relations and tax agendas of corporations are the strongest predictors of corporate giving. Even among the most far looking corporations -- who understand that literacy and computational skills among youth will affect their competitiveness with other areas of the country and overseas -- will never make inter-generational commitments to fund basic school programs. Here the best strategy is up-front, program specific or capital items to meet the systems' instructional agenda and are tangible as public relations victories for the corporation.

Budget and Budget Process:

As difficult as budgeting is for any urban school system, the major centers in California are facing the most extreme situations since the post-war boom that changed the face of California. Three years of stressful budgeting in Sacramento, combined with a particularly difficult FY 1991 and 1992, as well as the uncertain outcome of litigation over Proposition A have made the current budget process almost unmanageable. A striking impression of SFUSD is that it has dealt with these budget pressures for several years by properly pursuing a strategy of maintaining hands on classroom services at the possible expense of central support services and school based services not directly linked to instruction. SFUSD may have reached the end of the road with the strategy, however. At the moment, there is no staff attorney, no staff nutritionist and no community affairs/press liaison at 135 Van Ness. In the schools, counseling services have been devastated with case loads ranging anywhere from 1-600 up to 1-1,000. Library services too

have been devastated and summer sports programs are subject to the shifting priorities of City Hall. In each of these cases, SFUSD and the City may have reached the point where shorts term cuts are accruing long term liabilities. In short, one can cut only so much until a fundamental reevaluation and reorganization of organization tasks becomes required. SFUSD is nearing that point.

Despite its comparative wealth and the rapid growth of real property assets held in market value San Francisco's per capita expenditure for public schools compares only marginally more favorable than would be expected in the public schools of declining old industrial cities of the Northeast. Indeed, given fiscal capacity -- the ability of a region to support public expenditures and debt obligations -- there is a low tax effort. The diversified tax structure of the City/County of San Francisco has insulated the City somewhat as has its unique legal status in California as the only unified city-county government in the State¹. Nevertheless, with the SFUSD reliant on the State for over 90% of its school funds, and the State's current fiscal and financial problems ever mounting, some structural change in finance would have to occur if San Francisco's school problems are not to mount.

Recommendation: Institute Financial Planning: Looking over SFUSD's budgetary process and capital planning process, any financial advisor would quickly recommend instituting a Financial Plan and Planning Process. Such a Plan and planning process would contain the budget and budgeting process but not be limited to it. It would normally include revenue estimation, cash flow management, short-term debt issuance, longer-term debt issuance and asset management. All would be integrated into one articulated financial plan. The advantages are:

- that budget managers will keep their eye on the long term
- that the true trade offs between programs will become clear and a basis for fiscal and policy management would be created that is not based solely on political pressure;
- that the impact of seemingly minor expenses today (such as in labor negotiations or leases) will become clearer when viewed over the entire period of their effect;

¹ See Helen F. Ladd and John Yinger, America's Ailing Cities: Fiscal Health and the Design of Urban Policy (Baltimore, MD.: The Johns Hopkins University Press, 1989) pp162fn.

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— that certain potential new revenues will become clearer as underutilized assets are seen as potential revenue generators.

There will be an understandable skepticism toward this. If 135 Van Ness does not even know what the State Legislature is going to do, what the Governor and the State Treasurer are going to do, and what the courts are going to do this year how can the system project revenues and expenses into the future. The answer that the skeptic is correct. But the point of planning is not just the plan, but the process -- to get senior staffs to think strategically and in terms of finance. To look at an abandoned school building not as a savings because instructional services have been consolidated elsewhere, but as an underutilized facility that is still costing the system funds if only in terms of the costs of capital.

Issues of Debt, Asset Management and Infrastructure:

Too little attention is paid to issues of debt, asset management and depreciating infrastructure among school system management and -- indeed -- public sector financial managers as a whole. While many localities do seem to understand the value of the assets held by their pension funds, they do not always understand the investment made in the infrastructure of the system, the manner its paid for and the options that it generates. Typically, in rural and suburban systems the burden of public debt is tied either to water and sewer facilities or to schools. For general service governments that also support schools -- such as the bigger cities in New York State, the city of Washington and elsewhere, the schools often compete with parks, public housing, mass transit, airports and other facilities for the limited credit capacity -- the debt service a region's economy can sustain over several decades. Financing the construction of those assets, financing their maintenance, assessing their replacement costs and disposing of them for alternative assets structure is usually an under appreciated aspect of school management.

Having spoken to several people at 135 Van Ness, portfolio managers at one of the largest California tax exempt securities funds and with representatives of two investment banking firms

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I can say the following:

* The actual value of the buildings held by the system and its equipment may be greater than indicated by the SFUSD annual accounting statement. The latest audit valued buildings and equipment at over \$450 million². An estimate of the cost of accumulated deferred maintenance and earthquake code upgrade of about \$400 was cited to us. One of these numbers must be off substantially.

* A true valuation of assets held by the SFUSD is important in that it can give the superintendent and the Board of Education a guidepost as to how much should be invested each year into maintenance. If one use the Stanford index of about 2% per annum of total plant than at least the SFUSD would have a goal that could eventually be met or an indication of the degree to which depreciation is being underfunded. Not incidentally, it would also assist in assessing the creditworthiness of the system as a whole.

Recommendation: Investigate the Actual Market Value of SFUSD assets, their liquidity and utility in collateralization. The Superintendent should appoint a committee/commission of certified financial analysts, portfolio managers, asset managers, public sector finance managers (ret. or in academia) etc. to look into this and all associated issues. It could be done in cooperation with other unified districts in the State or other enterprises that would be similar to SFUSD under California law.

* The City of San Francisco, acting as a county under State Finance Law, issues most of the General Obligation Bonds for the SFUSD. The level of specificity in earmarking borrowed funds for individual projects appears to be greater in California than in many other States of the country -- particularly New York State. While this may sign of conservative (good?) financial management, it also deprives financial and asset managers from taking advantage of changes in market factors. More interestingly, however, if the County of San Francisco issues SFUSD GO

² Coopers and Lybrand, Audit of the San Francisco Unified School District, FY 1991.

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debt, how does the Superintendent or the Board know that the schools are getting their fair share of the credit capacity of the San Francisco regional economy.

Recommendation: Look into Whether SFUSD is Getting its Fair Share of GO Infrastructure Debt Issued by C/C of San Francisco. I strongly suggest that you look into this (even though I know it will be politically hot) so that you have a basis for bargaining with City Hall in the future on any other issues that may come up if the political climate among voters for incurring debt changes.

* A second point in regard to bonds is the extensive use lease/buy-back agreements in California and their associated certificates of participation (COPs). Like revenue bonds and operating authorities in New York, New Jersey and most of the older State of the Northeast and Mid-west, COPs have the advantage of going beyond constitution and statutory debt limits on taxes. In most cases, revenue bonds are sustained by user fees (rents, tools, ticket prices, fares, etc.) rather than revenues from property taxes to finance debt. COPs allow for year by year appropriations of debt service not as debt services but as a public rental or lease agreement which, in the end, becomes a mock user fee³. Despite the use of COPs in California, I would suggest investigating whether bonding or operating authorities common in the northeast (School Construction Fund [New York City], Public Development Corporation [Indianapolis, Ia.] could be replicated in San Francisco -- either through the SFUSD, the County or the City.

* A third point should be made. There is a general perception in the market that both the City/County of San Francisco and the SFUSD tend to "under-borrowed". While this would always be a perception held by those who make money selling State and local securities, there is a sense that San Francisco deserves a credit rating at the highest or near highest levels. In fact, the patterns of borrowing by San Francisco may be so conservative -- I am told -- that a new patterns may raise questions, particularly with today's budget crisis in Sacramento, the near bankruptcy of one northern California County and of the Richmond school system may add to a rising perception that California is nearing a true fiscal/financial crisis.

³ See Leases in California: Their Form and Function, California Debt Advisory Commission, Sacramento CA.; Kathleen Brown, State Treasurer; Transocean Funding et al., consultants; March 1, 1991.

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RWB:tl/June 30/part 3 of transition memo.

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June 29, 1992

Waldemar Rojas
Superintendent-Elect
San Francisco Unified School District
135 Van Ness Street
San Francisco, CA 94102

Dear Dr. Rojas:

As you requested, I have conducted a review of the purchase and organization of legal services by the San Francisco Unified School District. Enclosed is my report which includes a description of how the District purchases and organizes legal services; a summary of how other similarly situated districts organize and purchase legal services; and a discussion of several options for improving the purchase of legal services, together with my recommendations.

Please let me know if you need any additional information or if you have any questions regarding this report.

Sincerely,


David S. Tatel

DST/jf
Enclosure

8002t

M E M O R A N D U M

June 29, 1992

TO: Dr. Waldemar Rojas
Superintendent-Elect

FROM: David S. Tatel

RE: Purchase and Organization of Legal Services

This report summarizes the results of my review of the purchase and organization of legal services by the San Francisco Unified School District. Section I of this report describes how the District purchases and organizes its legal services. Section II discusses the purchase and organization of legal services by other school districts with characteristics similar to San Francisco, both in California and elsewhere. Section III discusses several options for improving the purchase and organization of legal services and includes my recommendations.

I. Purchase and Organization of Legal Services By SFUSD

From the 1950s until 1987, the District's legal services were provided by its own in-house legal counsel, supported by the City Attorney's office and by several retained law firms. Three lawyers held the position of general counsel from the mid-1950s until 1987. Each was supported by a legal assistant and one or two secretaries.

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In 1987 the position of general counsel was eliminated. Since then, the District has relied for its legal services entirely on the City Attorney's office and on outside law firms. The City Attorney, as required by state law, provides the school system with \$210,000 worth of free legal services; beyond that, the District pays for services from the City Attorney's office at the rate of \$51.69 to \$115.41 per hour, depending on the lawyer assigned to do the work. Hourly --- rates for the outside law firms range from \$110.00 to over \$200.00 per hour, depending on the law firm involved and the lawyer assigned.

The following table summarizes the cost of these services since 1984. The amount shown for the City Attorney's office does not include the \$210,000 of free legal services. For the 1991-92 fiscal year, the amount shown is the amount expended to date. Mr. Sammon estimates that the total cost for the 1991-92 fiscal year will exceed \$1 million:

<u>Year</u>	<u>In-house Counsel</u>	<u>City Attorney</u>	<u>Outside Counsel</u>	<u>Total Legal Costs</u>
1984-85	190,000	163,000	222,000	575,000
1985-86	197,000	153,000	279,000	631,000
1986-87	180,000	-----	518,000	699,000
1987-88	- 0 -	132,000	331,000	463,000
1988-89	- 0 -	227,000	286,000	513,000
1989-90	- 0 -	305,000	313,000	618,000
1990-91	- 0 -	209,000	707,000	915,000
1991-92	- 0 -	198,000	663,000	861,000

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Mr. Sammon is responsible for coordinating the use of the City Attorney's office and the outside law firms. As matters come to his attention, he decides whether to send them to the City Attorney or to a particular law firm. His choice of law firms depends on the firm's specialties.

School board members and senior staff are also authorized to contact the City Attorney's office or one of the law firms that is under contract. The District has no system for coordinating or monitoring these requests for legal services.

The City Attorney's office is responsible for advising the Board, Superintendent, and senior staff; for reviewing contracts and Board procedures; and for general litigation. The law firms the School District currently has under contract and their specialties are as follows:

<u>LAW FIRMS</u>	<u>SPECIALTIES</u>
Atkinson, Andelson, Loya, Ruud & Romo	Personnel Services
Breon, O'Donnell, Miller, Brown & Dannis	Personnel Services; General Services
Sonnenschein, Nath & Rosenthal	Personnel Services
Brown & Wood	1991 TRAN
McCutcheon, Aubrey V. Jr.	Consent Decree
Lozano, Smith, Smith & Woliver	Special Education
Shupe & Finkelstein	Special Education

LAW FIRMS

Ellman, Burke, Hoffman & Johnson

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SPECIALTIES

Grant Site Lease

Disaster Assistance;
Consent Decree

II. Purchase and Organization of Legal
Services by Other School Districts

All large, urban school districts in California use a combination of in-house counsel and outside counsel, and some also use their City or County Attorney's offices. In-house staffs range from a high in Los Angeles of six lawyers to several school districts which have only one in-house lawyer. I have not been able to find any large, urban school systems in California which, like San Francisco, have no in-house counsel and rely exclusively on the City or County Attorney and outside counsel.

The following chart shows how the five California school systems closest in size to San Francisco structure their legal services. San Francisco is included for purposes of comparison:

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<u>District</u>	<u>Enroll- ment</u>	<u>In-House Staff Members</u>	<u>In-House Total Costs</u>	<u>Outside Total Costs</u>	<u>Total Legal Services Costs</u>
San Fran- cisco	66,000	-0-	-0-	\$915,000	\$915,000
San Diego	111,000	3 lawyers 1 parapro- fessional 3 secretaries	\$540,000	405,000	945,000
Long Beach	70,000	1 lawyer 0 parapro- fessionals 1 secretary	130,000	500,000	630,000
Fresno	66,000	1 lawyer 1 parapro- fessional 1 secretary	188,000	390,000	578,000
Oakland	50,000	4.5 lawyers 2 parapro- fessionals 5 secretaries	600,000	- 0 -	600,000
Sacramento	50,000	1 lawyer 0 parapro- fessionals 1 secretary	140,000	240,000	380,000

Two points about the foregoing chart are worthy of note. First, San Francisco is the only district that utilizes its City Attorney's office (the cost of which was included in the column for outside counsel). Second, the comparative costs of in-house and outside counsel for all of the districts are not precisely equivalent. All are the most recent data I could get, but some are for this year and some are for last year, and

the expenditure levels vary from year to year depending on demand for legal services. In Long Beach, for example, the normal annual budget for outside counsel is approximately \$300,000, but it has reached the \$500,000 level shown in the chart because of unusual demands for legal services in recent years. The District expects costs to return to the lower level within the next few years. Also, each of the districts defines legal services somewhat differently. ~~The~~ figures for Long Beach, for example, do not include the cost of worker's compensation and personal injury proceedings. These are handled by a separate "risk management" office located elsewhere in the school system. In the other school districts listed in the chart, these services are handled by the general counsel. Notwithstanding these differences, however, these figures are useful for comparison.

The school systems listed in the chart fall into three basic categories:

1. Oakland relies ~~exclusively on~~ in-house counsel; it currently uses no outside law firms at all;
2. Long Beach, Sacramento and Fresno each have only one in-house attorney, and each also relies on outside law firms; none use their city attorneys. The in-house attorney tends to operate as a "traffic cop," handling some matters on his or her own, but referring most litigation to outside counsel; and

3. San Diego, unlike Sacramento, Fresno and Long Beach, has several in-house attorneys, but unlike Oakland, it also relies on outside counsel. Because of the size of its in-house staff, it is able to handle a significant amount of work inside the school system, but highly specialized matters are still referred to outside firms.

The use of in-house counsel by large urban school systems in California is consistent with the practice of other large school districts elsewhere in the country. A 1989 National School Boards Association survey of 48 large school systems throughout the country reported that 22 districts had in-house counsel staffs ranging from one to a significant number of lawyers. I was advised by NSBA that the number of school districts with in-house counsel has risen since the survey was conducted. The NSBA data as well as the information about California districts is also consistent with my own experience. I have probably worked with over 50 school districts throughout the country, most of which have in-house counsel that they supplement with the use of outside attorneys.

San Diego and Seattle are two school districts which I believe have particularly good legal programs. Both have in-house counsel supplemented by the services of outside firms. Seattle, with an enrollment of 42,000, has two in-house lawyers, one legal assistant and one secretary. All legal

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services are coordinated by the in-house legal staff. They handle some matters on their own and refer others to three major law firms and four small firms. During the 1988-89 school year, the district spent a total of \$540,000 on legal services. Of this, \$256,000 was spent on the in-house staff, and \$284,000 on outside counsel and other related services such as arbitrators, court reporters and claims adjusters.

As indicated in the chart on page 5 of this memorandum, the San Diego school system, which is larger than San Francisco, has 3 in-house lawyers, 1 legal assistant and 3 secretaries. As in Seattle, the in-house lawyers for the San Diego schools are responsible for the coordination of all legal services. They handle some matters in-house and refer others to outside counsel.

III. Options and Recommendations

Options available to the District include the following:

- (1) Retain the current system;
- (2) Retain the current system, but strengthen the internal coordination of legal services by requiring that all requests for legal services be funneled through the Superintendent or his assistant;
- (3) Create an internal office of general counsel based on one of the following models:
 - (a) the Long Beach, Fresno, Sacramento model: one in-house attorney supplemented by outside counsel;

- (b) the San Diego model: a general counsel and several staff attorneys supported by outside counsel; or
- (c) the Oakland model: a large in-house staff with virtually no use of outside counsel.

Under any one of these models, the general counsel could be either: (a) an employee of the City Attorney's office who is assigned to the School District on a full-time basis or (b) a direct employee of the School District.

The first option -- the status quo -- seems to me to be the least attractive. The current system is probably costing the School District significantly more than any of the other options would. As the chart on page 5 indicates, the District is spending considerably more than other urban districts, some of which are significantly larger than SFUSD. The absence of central coordination of legal services means that the District has no ability to control costs or to ensure that it is receiving legal services of the highest quality. The District also lacks the ability to reduce its dependence on high-cost outside counsel by handling some matters in-house.

The second option will certainly improve the current situation somewhat. Requiring that all requests for legal services be funneled through the Superintendent or his assistant would put the District in a better position to control cost and ensure quality. But because it will not enable the District to handle certain categories of legal

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services in-house, the District will not be able to reduce its dependence on high-cost outside counsel.

In my judgment, only option (3) would put the District in a position to reduce the costs of its legal services and to ensure that the services it is getting are of the highest quality. As every other major school district in California has discovered, in-house counsel can handle many types of legal problems more effectively and less expensively than outside counsel. In-house counsel is in the best position to decide which matters should be handled by the City Attorney's office or by outside counsel and to evaluate the quality of the legal services provided. In-house counsel is also best situated to assess the strengths and weaknesses of claims against the District and to settle those that carry the greatest risks, thus avoiding unnecessary legal expenses and the possibility of substantial judgments. Unlike the first two options, in-house counsel can also ensure that the District has the types of internal standards and procedures that are necessary to minimize the development of legal problems and to defend the District when problems occur. And finally, in-house counsel is in the best position to provide day-to-day legal advice to the Superintendent, his staff and the Board.

As between the three models described on pages 8-9, my recommendation is to begin with option (3)(a) -- the Long

Beach, Sacramento, Fresno model. At this point, there is simply no basis for knowing precisely how many lawyers will be needed in-house and how much assistance will be needed from outside counsel. Based on the experience of other districts, however, it is unlikely that the hiring of in-house counsel can eliminate the need for outside services. Although Oakland seems to have accomplished this, my own view is that there are certain matters that outside counsel can handle on a more cost-effective basis than in-house counsel.

For these reasons, I recommend that the District create an in-house general counsel with an initial staff of one legal assistant and one secretary. The Board should direct that all requests for legal services must be referred to the general counsel, and that the general counsel is authorized to handle matters directly or to refer them to the City Attorney or outside counsel. The Board should also direct the new general counsel to prepare a report for the Superintendent and the Board assessing the District's legal services and recommending how many, if any, additional in-house lawyers are needed. The report should indicate which types of legal services will be handled in-house and which will be referred to the City Attorney or to private law firms. The report's allocation of legal services between in-house counsel, the City Attorney's office and outside firms should be based on their comparative costs and capabilities.

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With respect to whether the general counsel should be an employee of the District or of the City Attorney's office, each approach has pros and cons. An employee of the City Attorney's office might be slightly more independent and in a somewhat better position to utilize the services of the City Attorney's office. This could be advantageous to the District, although a City Attorney employee could be less accountable to the District, and favoring the office of the City Attorney over private counsel might not always be in the District's best interests. In contrast, a District employee would be entirely accountable to the District and in the best position to allocate assignments between the City Attorney's office and outside counsel. In terms of cost, the options are equivalent.

Although I think the issue is a close one, my own preference is for the general counsel to be a District employee. While the City Attorney has done excellent work for the District, a District employee would be totally accountable to the Board and Superintendent, and I think this is critical to the provision of high quality legal services. And as noted above, a District employee would be in the best position to allocate work between the City Attorney's office and outside counsel solely on the basis of which option is in the District's best interests.

Finally, whichever option is ultimately selected, it is critical that the Board immediately direct all legal services to be coordinated by the Superintendent or his designee (option (2)). While this function should eventually be taken over by the general counsel, it is highly inefficient, even on an interim basis, to allow any Board member or senior staff to contact the City Attorney's office or retain counsel.

Reporting Responsibilities

In San Diego and Oakland, the general counsel reports to the Board and the Superintendent. In Fresno and Long Beach, the general counsel reports only to the Superintendent. Most of the districts responding to the NSBA survey also reported that their general counsels report only to the Superintendent, although a significant number indicated that their general counsels report to the Superintendent and the Board. In very large districts -- New York and Los Angeles, for example -- the Board and Superintendent have separate counsel.

In my judgment, the general counsel, whether a District or City Attorney employee, should report to both the Superintendent and the Board. This structure accurately reflects the fact that the general counsel in practice advises both. Also, requiring the general counsel to report to both the Superintendent and the Board is likely to increase the attractiveness of the position to qualified candidates.

The only argument against dual reporting is the possible development of legal conflicts between the Superintendent and the Board. While this is, of course, possible, it is not likely to occur, and if it does, arrangements can be made to provide separate counsel to one of the entities.

Qualifications and Salary

I recommend that the District seek an attorney who has at least 5 years of experience practicing law, who has a good, solid academic record, who has a wide variety of legal skills in either the public or private sector, and who will relate well to the Superintendent, the Board and the senior staff. While experience in a school district would be helpful, it is more important that the general counsel be a highly skilled and able attorney.

Although the Board should be relatively flexible with respect to salary, it seems to me that a range of \$75,000 to \$95,000 should be adequate to attract highly qualified candidates. This is the range of salaries of the in-house counsels in the California school districts listed on page 5 of this memorandum, and it is competitive considering the relevant pool of candidates. Lawyers in private law firms with the requisite experience are now making between \$75,000 and \$120,000 per year. Lawyers in federal, state and local



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government agencies are making between \$60,000 and \$85,000, and legal services lawyers, who might also be interested and qualify for the job, are making significantly less. Also, because of the generally weak economy, it is a "buyer's market" for lawyers, and the job of general counsel to the San Francisco Unified School District would be an exciting opportunity for many lawyers.

If you and the Board decide to proceed, it will be necessary to draft a job announcement describing the duties of the job and the qualifications that the Board is seeking. If you would like, I would be happy to prepare a job announcement for you.

Please let me know if you need any additional information or if you have any questions regarding these recommendations.

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